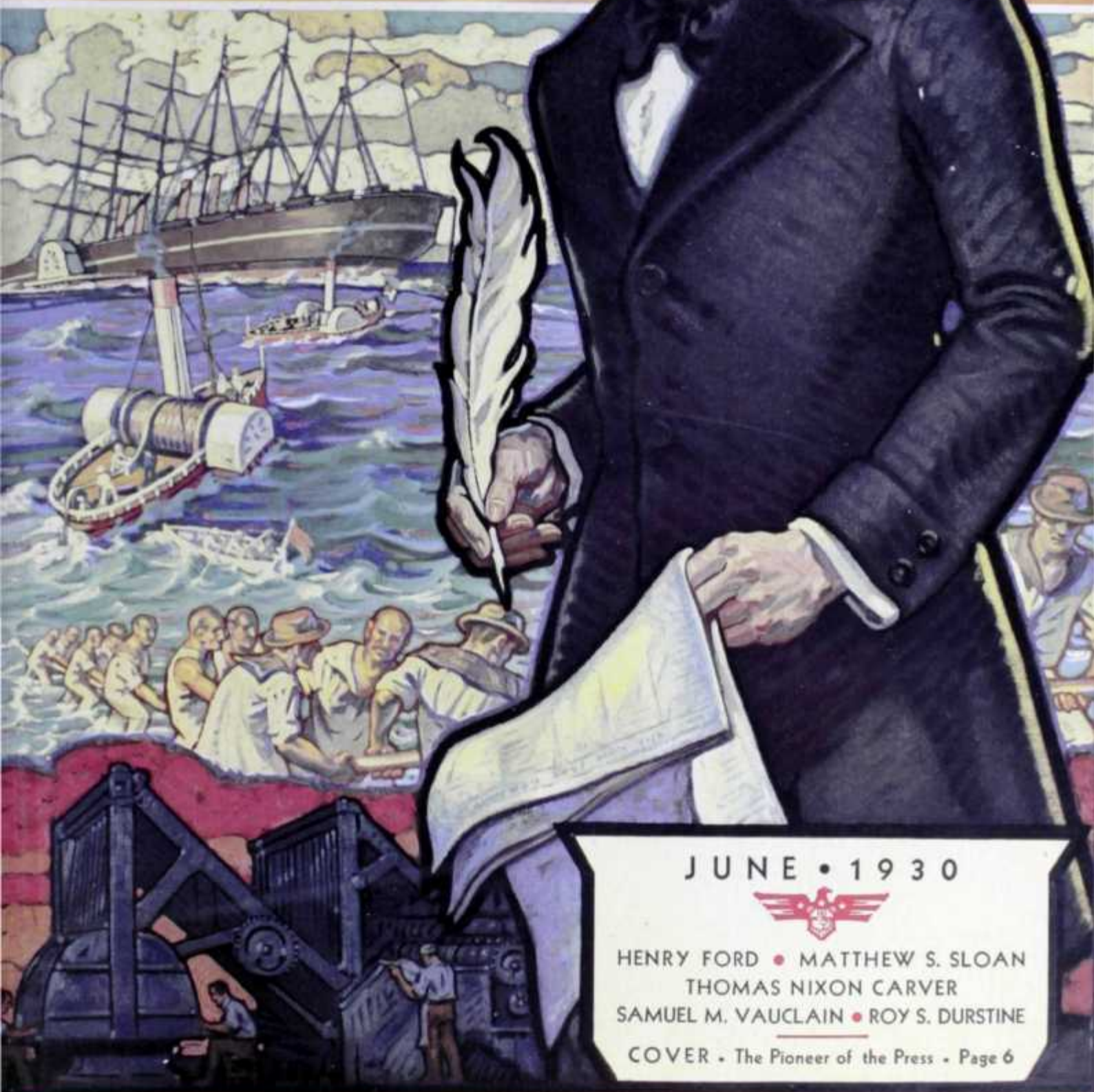


# NATION'S BUSINESS



JUNE • 1930



HENRY FORD • MATTHEW S. SLOAN  
THOMAS NIXON CARVER  
SAMUEL M. VAUCLAIN • ROY S. DURSTINE

COVER • The Pioneer of the Press • Page 6

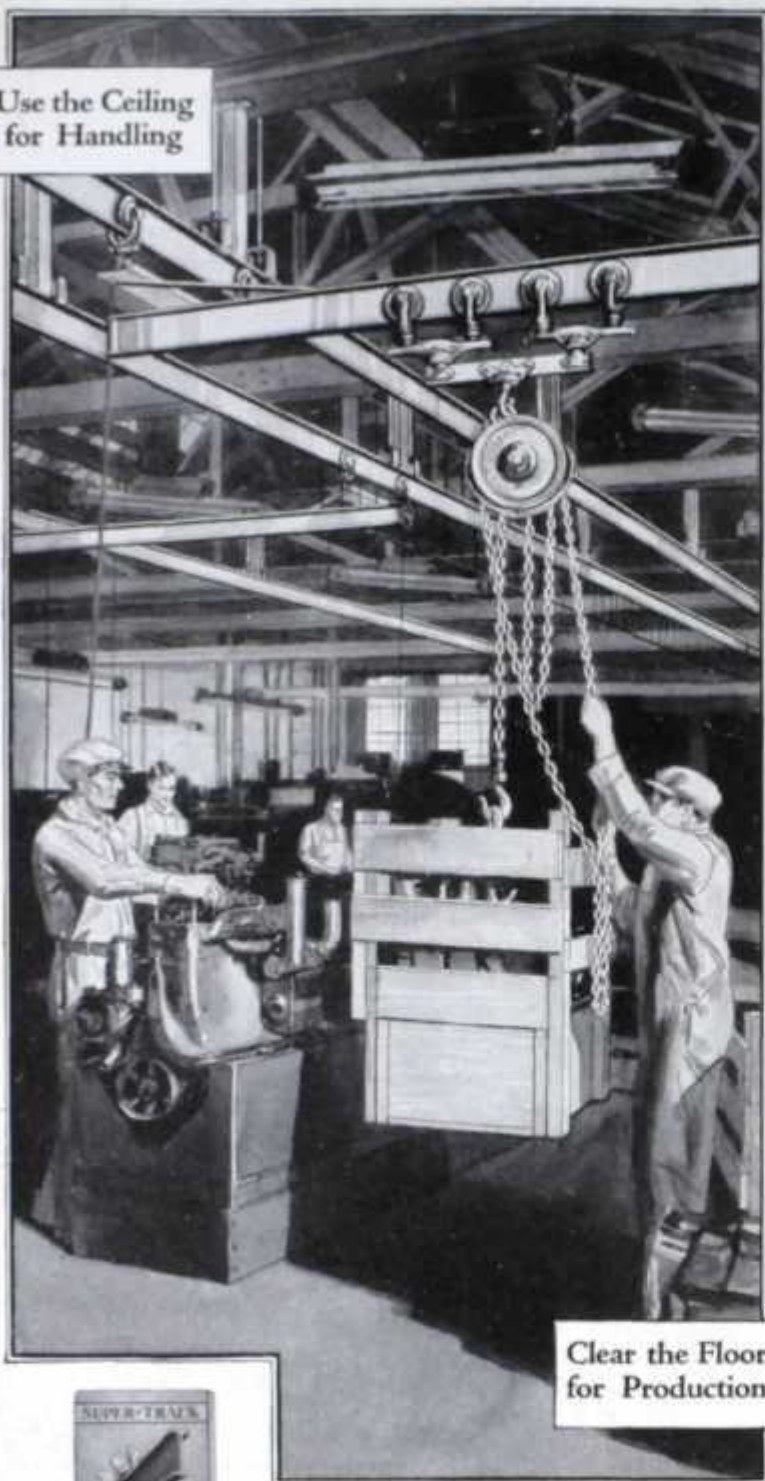
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count for the long life of Dodge Trucks. And correct design and construction are likewise responsible for their enduring power, speed, dependability, roadability and good looks—qualities that join with economy to justify their long-continued operation.

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VOLUME 18



NUMBER 7

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As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers.

SUBSCRIPTION RATES: Three years, \$7.50; one year, \$3.00. Please notify us promptly of change of address—Nation's Business, Washington, D. C.





"My entire staff must learn what facilities a large bank can offer its customers . . . I've found that it isn't enough for me to know."

## "... BUT *we* don't know anyone in Rio"

THE SALES MANAGER of a large manufacturing concern had obtained information indicating a profitable market for one of his company's products in certain parts of South America. Yet he postponed making aggressive sales efforts for more than a year, awaiting an opportunity to send a representative.

When the president of the company learned of the delay, he asked for an explanation. The sales manager replied: "But we don't know anyone in Rio!" The president pointed out that foreign trade opportunities could not always wait on personal contact, and that a strong banking connection might be employed to establish the necessary trade connections in the distant market.

The world-wide connections of the Irving Trust Company make it possible for manufacturers anywhere to develop new markets.

A carefully trained staff will investigate and analyze foreign market conditions, handle bills of lading and collections and perform many other services in connection with your foreign-trade activities.

## IRVING TRUST COMPANY

*Out of Town Office—Woolworth Building*

NEW YORK

### In the July Issue

GAMALIEL BRADFORD, author of "Union Portraits," "Confederate Portraits" and other noted biographical works, has done his first personality study of a business man. Thomas Edison is the subject and the article will appear in the July NATION'S BUSINESS.

This magazine has long sought an article from Mr. Bradford's pen but he has explained that business men are difficult subjects for a biographer as they leave little collected material for him to study. However, after long research he has compiled a most thorough record of Mr. Edison's life and work.

Edward E. Shumaker, president, Radio Corporation of America-Victor Company, has set down the reasons for, and purposes of, this new merger in the radio field. His article explains the mechanics of bringing a large group of companies together and the advantages achieved by united operation.

### THIS MONTH'S COVER

Painted by Ben Kidder

THEY were not always right. Perhaps they were not always strictly honest, but they were always courageous and enterprising—those Pioneers of the Press to whom NATION'S BUSINESS dedicates this cover. This courage and enterprise wrought a new unity in a nation struggling with vast distances and disunited peoples.

Their eager pencils caught up the thoughts and ambitions of scattered communities, interpreting, explaining, encouraging. With their hand-set type and awkward, flat-bed presses they molded the ambition of isolated hamlets into a new national spirit.

Out of intense rivalry among themselves, they hastened the growth of a national communication system. They threw out pony express and packet lines to speed transmission of news. They caught up the infant telegraph, they spun out the Atlantic cable to bring Europe within minutes of our shores.

They lumbered their clumsy presses over rutted trails to establish new outposts of intelligence in the wilderness—and derringers in their sleeves backed up their attacks on the unrighteous.

Newspapers, the most perishable of commodities, were the only tangible results of their labors but they made of those smudgy pages a force to bind a wide-flung empire into a compact entity—one nation, one goal, one people.



# To a Five Thousand Dollar Man who would like to be making \$10,000



MEN who are satisfied with routine salary raises will not be interested in this advertisement. There are many sources from which they can get the sort of training that will satisfy their modest ambitions.

Men, on the other hand, who are interested in doubling their earnings will find in this page much food for thought—and for action.

The training of the Alexander Hamilton Institute was designed for men who feel instinctively that their proper place is among those who *pay* wages instead of receive them—whose biggest earnings come out of the *profits* of the businesses in which they are engaged. Its mission is to fit them for these more profitable positions in a *shorter* time. And the results of its training are measured not in slowly rising salaries, but in incomes doubled and tripled in a few years.

Here are just a few of the cases of increased income that our subscribers have told us about in the last few months. Their names are all on file at Institute headquarters:

#### SUBSCRIBER A.

Was Works Engineer at \$4,200.  
Now Vice-President and General Manager at \$18,000.

#### SUBSCRIBER B.

Was Manager at \$3,600.  
Now Regional Manager at \$15,000.

#### SUBSCRIBER C.

Was Production Manager at \$4,800.  
Now President at \$21,600.

#### SUBSCRIBER D.

Was Production Manager at \$2,400.  
Now General Manager at \$8,400.

#### SUBSCRIBER E.

Was Business Manager at \$2,400.  
Now General Manager at \$20,000.

### Here's further proof that this training pays

Some of the presidents of corporations who are enrolled are H. W. Hoover, President, The Hoover Company; Thomas H. Beck, President, P. F. Collier & Son Company; Francis A. Countway, President, Lever Brothers Company (Manufacturers of Lux and Lifebuoy Soap); Edwin A. Fuller, President, Fuller Construction Company; Roy Howard, Chairman of the Board, Scripps-Howard Newspapers; Charles E. Hires, President, Hires Root Beer Company.

The judgment of such men is an argument stronger than anything we could write.

### Are you in business for your health?

Money isn't everything. But we will all admit that income is after all a pretty accurate measure of success in business.

There is many a man of real ability who is kidding himself into contentment with his progress simply because he is making more money than most of his friends. He is satisfied with a five or ten thousand dollar salary when with a little added

*knowledge* he could easily be making ten or twenty thousand.

For superior knowledge is behind every business success. And the absurd part of it all is that you have to know only a *little* bit more than your competitor to make a *lot* more money.

### How to get the facts

Where can you get this extra knowledge that can make such a tremendous difference in your business life? We invite you to send for a book that tells where, and how. It is a book of facts—facts about the Institute's training. It is called "What an Executive Should Know."

This book costs nothing because it is worth only what you *make* it worth. It is a book that should be in the library of every man who expects to win a secure place for himself in the next five years.

Will you send for it? The coupon below will bring it to your desk.

To the Alexander Hamilton Institute, 282 Astor Place, New York City. (In Canada address Alexander Hamilton Institute, Ltd., C. P. R. Building, Toronto.)

Send me "What an Executive Should Know," which I may keep without charge.

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BUSINESS .....

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BUSINESS .....

POSITION .....

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**INTERNATIONAL ELECTRIC  
 ACCOUNTING MACHINE**—which will automatically produce the census facts in printed, tabulated form.

## *Other International Business Machines*

International Time Recording, Indicating and Signaling Devices.

Dayton Moneyweight Computing Scales and Store Equipment.



The 1930 Census of Agriculture is under way. Data will be gathered covering crops, live stock, farm facilities, size of farms, farm tenure, and acres under cultivation for the 6,500,000 farms in continental United States, Alaska, Hawaii, Guam, American Samoa, Porto Rico, and the Virgin Islands.

The conclusions to be drawn from the facts which are now being assembled will throw light on fundamental problems concerning our national food supply, the productivity of farms, and farm management. The gigantic task of compiling tables and reports will be done entirely through the use of International Electric Tabulating and Accounting Machines.

Two hundred million tabulating cards have been ordered for the

work! Conclusive proof that no statistical job is too great for the efficient application of electric tabulating equipment.

On the other hand, small organizations also use International Electric Tabulating and Accounting Machines in their statistical and accounting work with profitable results. Made in various models, these devices serve business and industrial concerns of every size, ranging from the giant corporation whose activities spread throughout the world to small companies of merely local reputation.

International Electric Tabulating and Accounting Machines reduce the most complicated analysis to the level of a routine task. They assure timely reports, simplify procedures, eliminate errors, and effect economies.

## THE TABULATING MACHINE COMPANY DIVISION International Business Machines Corporation

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 Toronto, Ontario, Canada





## The Law-Making Racket

**T**HOUGHTS upon reading in this number, "How I Broke Into the Law-Making Racket":

The American has always had an irrepressible desire for political self-expression. As a result, history records fantastic offshoots, as well as contributions of permanent value. James Russell Lowell described an earlier day of flux and ferment:

Every possible form of intellectual and physical dyspepsia brought forth its gospel. Bran had its prophets . . . Everybody had a mission (with a capital M) to attend to everybody-else's business . . . Not a few impecunious zealots abjured the use of money, unless earned by other people, professing to live on the internal revenues of the spirit. Some had an assurance of instant millennium so soon as hooks and eyes should be substituted for buttons. Communities were established where everything was to be common but common sense . . . Many foreign revolutionists out of work added their contribution of broken English to the general misunderstanding. All stood ready at a moment's notice to reform everything but themselves.

To dismiss this picture as a jest does not get at the serious kernel of wasteful individualism in our democracy. Democracy is extravagant; it often proceeds blindly and at cross purposes; it frequently seems little more than declamation, clap trap and mob service; and, worse for our pride, on occasion we seem no more self-propelling than a puppet moved with unseen strings.

Yet with all the creakings and groanings of the mechanism, no American would willingly abandon this form of government for any other. As it was in the beginning, it is now; the right of self-expression and the desirability of widest discussion are so important that we have guaranteed them in this country by constitutional law.

It is solely against the abuses of democracy that we complain—the brazen attempts to "put something over on us" without our knowledge or consent; the misrepresentations that magnify the individual advocate to the dimension of a

large and representative body of public opinion. A flood of prepared opinions regularly descend upon our law-makers and our newspapers. Organized minorities have developed a technique that at once amazes and terrifies. Mr. Coolidge once said:

It is because in their hours of timidity the Congress becomes subservient to the importunities of organized minorities that the President comes more and more to stand as the champion of the rights of the whole country. Organizing such minorities has come to be a well recognized industry in Washington. They are often led by persons of great ability, who display much skill in bringing their influences to bear on the Congress. They have ways of securing newspaper publicity, deluging Senators and Representatives with petitions, and overwhelming them with imprecations that are often decisive in securing the passage of bills. While much of this legislation is not entirely bad, almost all of it is excessively expensive. If it were not for the rules of the House and the veto power of the President, within two years these activities would double the cost of government.

No one contends that the right of free speech be suspended or that the interchange of representative opinion be abridged. Nor is it argued that American journalists are guileless babes who see every spokesman as a sage or statesman.

What is needed is a more intelligent appraisal of public opinion by the Congress and by the press. Often, unwittingly, both lend themselves to bolstering up a worthless cause.

And business men are the most gullible of all. They lend their names to this, that, and the other thing, *ad lib.*, *da capo*, *crescendo*. If they lent their money as they lend their names they would long ago have faced bankruptcy.

Whether a man puts over his cause with a bass drum or a pair of gum shoes is beside the point. Each method overtaxes our law books and purses, and adds to the sinful waste of democracy.

*Merce Thompson*





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# NATION'S BUSINESS



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

## As the Business World Wags

THUS WE MAY SEE, QUOTH HE,  
HOW THE WORLD WAGS—*As You Like It.*

### What's What at the Annual Meeting



MAY DAY brought to a close one of the most successful of the Annual Meetings of the United States Chamber of Commerce. There were 3000 men in attendance—not all big men in the sense in which the man in the street talks of “big business,” but all worth while men, each a man of value to his individual business, to his industry and to his community.

By the time this is before you, each reader of NATION'S BUSINESS will have the Extra Edition, that annual extra dividend which we declare for our subscribers. Is it worth reading? Decidedly.

The place of the Farm Board is a moot question. Look around for your copy which you got a few days ago and read the discussion with Chairman Legge and Daniel A. Millett making the set speeches. Read especially the discussion that followed and what Julius H. Barnes said. Then read last of all the resolution adopted by the Chamber and your knowledge of the Farm Board and the attitude toward it of American business will be much greater and your picture of the whole situation will be much clearer.

There are other things that were said at the Annual Meeting that are worth reading or re-reading: President Hoover on the present state of business, Julius H. Barnes' explanation of the work of the Business Survey Conference. President Butterworth's opening address, Howard Coonley's talk on stabilization of production and employment.

And these were only a few of the things that made the Annual Meeting a stirring affair and the Extra Edition of NATION'S BUSINESS a thing worth printing.

### Questions on Auto Buying



SAID a distinguished manufacturer of automobiles discussing current business conditions:

It is an interesting and to me a somewhat puzzling fact that the best business just now is being done at the two ends of the price class, the most

expensive and the cheapest. We see that Fords and Chevrolets are selling very well and some of the most expensive cars are selling comparatively well, but many of those in the middle are finding times dull. Why?

And another point. We hear much about unemployment, yet the cars now selling the most rapidly are the cars that are supposed to be sold to those very people who are said to be out of work.

It is not hard to suggest answers to the manufacturer's questions. The manufacturer himself had the replies at hand but one interesting answer to the first question was made by a dealer.

“It's the ‘two-car market’ cry,” said he. “We have taught our customer to add to his car one of a somewhat lower price. He's used the lower-priced one and left the other for longer times in the garage and he's not quite so quick to replace his larger car.”

### The Nickel and Dime Market



THE New York Times the other day ran a heartening list of some 30 corporations that had shown larger net earnings in the first quarter of 1930 than in 1929.

Among them are such names as General Electric, Bethlehem Steel, Allis Chalmers, International Business Machines, General Railway Signal, Sheffield Steel.

And along with these are United Biscuit, Cream of Wheat, General Foods, William Wrigley, Jr., Curtis Publishing, Paramount-Famous-Lasky.

Evidently the public that likes chewing gum, the movies, crackers, breakfast foods and popular magazines—and that public is all of us—hasn't stopped spending money.

### Declining Prices and Wage Levels



DURING the past eight months wholesale prices have fallen approximately five per cent. The lower average has been effected by declines in agricultural commodities,

steel and its various products and construction materials. While the changes occurring in these lines have impaired the income of producers they have so far failed to register with the consumer. The index of living and production costs of the farmer computed by the



Department of Agriculture has remained stationary. That such price changes as have taken place are traceable to a gold scarcity or a collapse in security prices calls for polemic agility which we do not possess.

Another attendant phenomenon oppresses the public consciousness and that is the pay of the worker. Is it destined to follow wholesale prices? Periods of business recession are unfortunately still frequent in the lives of civilized nations. They chill enterprise, cause a lull in production, an increase in unemployment and usually a decline in wholesale prices. Have these periods of recession also been accompanied by declining wages?

On this point the past history of prices and wages is assuring. Our data is sufficiently dependable to permit us to go back beyond the Civil War. Prices reached a needle-like pinnacle in 1865. They dropped about 45 per cent during the next eight years. Wages however retained their wartime gains and rose to new heights. In 1873 the worker's pay joined the price procession and fell for six years. When this decline came to a halt in 1879 the worker's wages were still as high as in 1865 and every dollar he received in 1879 purchased almost three times as much as it did in 1865. This period of six years is the only period of sustained wage decline in the last century. The worker's pay has been checked at times during periods of liquidation but it has always pointed doggedly upward.

### Brighter Plumage For Mere Men



GRANDFATHER wore a white shirt with a stiff bosom and detachable collar and cuffs and he wore that shirt to church on Sunday and to work on week days. The criterion by which it was changed was cleanliness not color. It made no difference whether it matched his socks or whether or not it was suitable for golf.

The dealers in men's suits are casting envious eyes on men's shirts. Also why can there not be more style in the coats and trousers?

Harry Winstein bewailed the uniformity of men's outerclotting at a Tri-State Convention of Retail Clothiers the other day. Man, he said, would if he could, "buy a suit with three pairs of pants instead of two," conscious that, so long as the pants stood firm against the weather the styles would not change.

The clothiers would change all that. They would have the "market of discontent" widened to include what the man wears. The man who appears in the office six days running in the same blue serge would find himself an object of pity or contempt. Directors' meetings of important corporations would set styles and we should read:

"Deep purple was the prevailing note at the spring meeting of the directors of the United States Steel Corporation. Mr. ———'s mauve spats with coral buttons were much commented on. Reporters for both the men's clothing and the stock markets eagerly awaited the results of the meeting."

By all means, let the clothiers lift us from our color-

less lives. Give us a little encouragement and we shall start a department of men's fashions.

### Uncle Sam, Publisher



WHO is the foremost publisher of the United States? If the standard is to be the number of periodicals issued the answer is not William Randolph Hearst or Cyrus H. K.

Curtis, but the United States Government.

We owe to the Special Libraries Association a 75-page document which lists "United States Government Periodical Mimeographed Statements." It is far from a complete record of the Government's activity as a publisher, for many printed periodicals are omitted, but it is instructive and appalling.

Agriculture begins with "A" and starts the catalog. The Agricultural Economics Bureau, and its various bureaus, needs 14 pages to list and describe its 66 periodicals. The list begins with "The Agricultural Situation," a printed monthly, 25 cents a year, and ends with "Stocks of Leaf Tobacco in Hands of Dealers and Manufacturers," a quarterly.

But Agricultural Economics is small potatoes alongside the Bureau of Foreign and Domestic Commerce of the Department of Commerce. It takes 22 pages to record its 142 periodicals.

The Foreign and Domestic Commerce Bureau not only excels in number but shows an eagerness to break away in the titles of its publications from the stiltedness of statisticians. "Side Runs of the Paper Trade," and "Lumber the World Over," even "International Knit Goods News" are far more alluring than the monthly called *Statement Showing Imports of Specified Kinds of Cotton Cloth Imported Through the Custom Districts of New York, Boston, Philadelphia, Chicago and San Francisco*.

The list of printed government periodicals for which subscriptions are taken numbers some 75, including the *New Reclamation Era*, *School Life* and the *Forest Worker*.

A great publisher the Government—and growing. Costs do not bother him nor profits dim his horizon.

### "The Community at Large"



AT the 29th annual meeting of the stockholders of the United States Steel Corporation, Myron C. Taylor, chairman of the Finance Committee, declared that it was the

policy of the company so to conduct its business that the community at large as well as the stockholders and employees might be benefited.

Why should the United States Steel Corporation concern itself with the "community at large"? There are some 180,000 stockholders of the Steel Corporation. A measurable part of the United States looks to the company for some of its income. There's one concern of the American community.

There are in this country perhaps 120,000,000 persons, or about 27,000,000 families. The Steel Corporation employs 240,000 workers, again a group of Americans large enough to be noticeable. If we take what they buy and use, what they eat and wear, and how they live,



we have again a picture of the interest of the "community at large" in what a great corporation does.

There is still a bigger figure with which to reckon in this community of which Mr. Taylor spoke. This country produces some 50,000 tons of steel a year, nearly two tons for every family. Of that the Steel Corporation produces more than half. The price, the quality, the distribution of those products affect every one of us.

Mr. Taylor may well stress the duty of his company to the community. As our corporations grow by natural expansion, by merger, by entrance into foreign fields, the interest of the community in their integrity and intelligence is bound to grow and that interest is not limited to their stockholders and their employees.

### As the Business World Wags



and decided to venture a trans-Atlantic passenger service by airship. To the public it looked like the "old story"—not very bright business men following where a brilliant scientist led.

But, oddly enough, it was chiefly because the scientist proved that he was wrong that business brains and prestige and money were mobilized behind this dream of spanning the Atlantic commercially, via the air.

To business men Eckener proved that he hadn't dreamed a big enough dream: his airship could not succeed commercially. So America will build air-liners more than twice as big as the *Graf* in cubical content, and three times as big as the *Los Angeles*. And these will be within range of a balanced budget.

So after all it will be Goodyear, and National City, and United Aircraft, and Union Carbon and Carbide, and Aluminum of America—merely successful business corporations—which will make trans-Atlantic air transportation a reality.

### New Names for Old Troubles



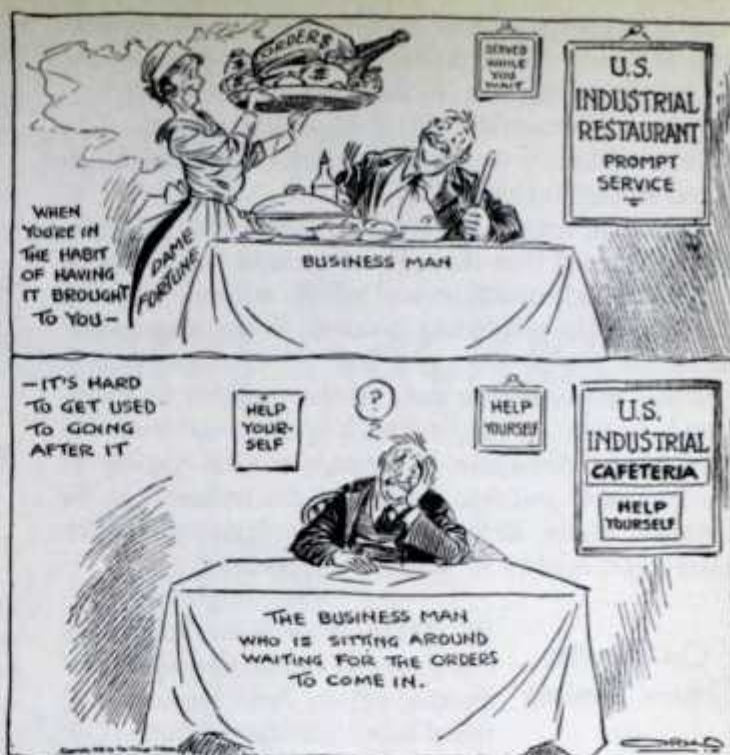
46-57 there is an interesting account of an early Farm Board experiment in the control of food products.)

Sometimes when we rediscover old things, we give them new names and are happy. Of late there has been much talk in the field of industrial relations of "technological unemployment" and "the problem of the man over 40."

By "technological unemployment" we mean the displacing of the man by the machine; the problem of the man over forty is based on an assertion loosely made that industry is setting an arbitrary age limit beyond which it cannot employ men.

The displacement of the man by the machine is cer-

AN ENGINEER designed and built an airship and it startled us by circling the globe. Some hum-drum business men got together then



DER IN THE CHICAGO DAILY TRIBUNE

Our restaurant has been changed into a cafeteria

tainly not new. The first man who sawed wheels from a log and hauled things to the river bank displaced workmen. The "industrial revolution" in England in the 18th and 19th centuries was a continuous substitution of machines for men and riots and machinery smashing by displaced men were not uncommon.

As to the problem of the man of forty hark to this:

Workmen are discharged as soon as gray hair appears or a pair of spectacles is attempted to be used; many of the workmen straining their sight to the uttermost before they give in to be turned adrift through wearing them.

That was written not in 1930, but in 1848.

There is reason to believe, according to a recent study of the situation that in proportion to the population, there are more men of 45 or over gainfully employed now than there were in 1890.

### The British Taxpayer



WHILE spring proverbially turns the young man's fancy to thoughts of love it brings no such alluring stimulus to the British taxpayer. Springtime is budget time and this year another somber chapter is being written in English fiscal history. Mr. Snowden has presented a budget roughly equal to that of our Federal Government, about \$4,000,000,000. It calls for a tax of \$1,660 on every earned income of \$10,000, \$43,190 on an income of \$100,000 and \$278,190 on an income of \$500,000.

Practically the entire budget is met by income taxation and the rates are so graduated that the burden of government falls upon one per cent of the British people. These are not tributes exacted by a military conqueror. They are not sacrifices demanded in the name of a grave national emergency. They are the



normal compulsory exactions of the British state in time of peace. Their political inspiration may be discovered in the increase in the unemployment roll.

Their fundamentally socialistic origin is certified by the extraordinary emphasis on social welfare projects in the British budget.

A German economist, Wagner, with a strong following maintained that the ends of socialism could be attained through constitutional means without resort to revolution. He pointed to taxation as the appropriate instrument.

It was the economic duty of the state, so he maintained, to take all excess wealth and income from the affluent and distribute it through a wide variety of pensions, aids and free services to the indigent. Is the condition of the British taxpayer today proof of the apocalyptic quality of Wagner's vision?

### On Minding Others' Business



IN THIS issue is an article by Dr. Henry Wireman Cook, medical director of the Northwestern National Life Insurance Company, on the factors in our everyday living that make the so-called degenerative diseases—those of the heart and brain, Bright's disease, diabetes, cancer—

increase, while the things we catch from the other fellow like typhoid, smallpox, yellow fever are disappearing. Dr. Cook lists nine factors, and very interesting ones they are, which have helped to make this gain in the diseases of the heart arteries and kidneys, but there's one he didn't list and might have: the ease with which we mind the other fellow's business and the difficulty we have in minding our own. Better water systems have cut typhoid down but we go on imperiling our kidneys with excesses in food; we check mosquitoes, and malaria lessens; but the man who led in raising funds to make his town mosquitoless is underdoing or overdoing his exercise.

### Our Railroad History



good-naturedly but forcefully to some critics in the United States. Said he:

We frequently hear comparisons with respect to the large sums which have been wasted or dissipated in the construction of the Canadian National Railways as distinguished from the great transportation systems in the country just to the south of us.

I happened to be recently looking at some figures. An examination of 27 railway systems in the United States, west of the Mississippi River in the period subsequent to the Civil War indicated that there were in all 191 re-organizations. Some of these railway systems were re-organized as many as 23 times. There was eliminated \$874,000,000 in bonds, income bonds and stock representing an actual loss of capital. In addition to that \$1,442,000,000 worth of securities were written down to less senior positions, that is to say, bonds were reduced to income bonds, preferred stock to common stock, and so on.

In short it is a fair statement to make that within the period named and in the era described there was an attrition of capital, including interest at 5 per cent, of \$3,500,000,000. That represents the financial performance of American Railways west of the Mississippi River since the Civil War.

The financial adventures of the Canadian National Railways, whatever they may have been, pale into insignificance as compared with those figures. I think we in Canada may congratulate ourselves upon having constructed our great transportation systems and having developed our country with so little financial loss.

When you consider that the day is rapidly approaching when the latest or last of these transportation systems will be meeting its fixed charges concurrently on securities in the hands of the public, we may well regard our record as a satisfactory one.

### If There Had Been Regulation



SIR HENRY THORNTON'S statement about the waste in railroad finance in the amazing period of expansion that followed the Civil War suggests this thought:

Suppose very early in that period when the railroads were suffering their growing pains, when new lines were laid out and financed on the hope of business yet to come, some administration had decided that what was really needed was an interstate commerce commission and had created one. Would the country have gone ahead as fast as it did?

Much money might have been saved by a commission which would have had the power to decide whether a road from Chicago to Omaha was really needed and could have postponed decision a year or two while it made a further careful study of potential market and population growth. But would Omaha and Chicago have been where they are today?

Regulation may be a necessary thing but it is not always stimulating.

### How Much Is "Farm" Relief



FARM relief breaks out in queer and interesting places. It seems to help some persons who are not farmers at all. An agent representing a Fruit Juice Company writes to his customers urging the size of his company as an argument in favor of his wares. And not only that, but as a result of farm relief, or at least in connection therewith, he offers personal service to those who purchase what he has to sell. Listen to this plea of a salesman who is all for farm relief:

"I am pleased to advise you that I am now associated with the — Fruit Juice Company in the sale of the products of —, being a recent merger of nearly 75 per cent of the entire California vineyards, and with combined assets of approximately \$30,000,000 in properties and existing plants.

"This merger was primarily brought about through the sponsoring of a \$9,000,000 loan from the Government through the Farm Board to stabilize the industry.

"I shall be pleased to render you the same personal service in the future as before and shall keep in touch with you."

Those who purchase will, of course, engender additional farm relief. The fruit juice company has its offices in the East, vineyards in California and can cater to an appetite that is common and still existent despite legislation.



# How I Broke Into the Law-Making Racket



He shook a handful of letters in my face. All of them had "House Office Building" printed at the top

**M**ARTIN WAS cussing the new office boy when I got off the elevator. He was still grumbling when I hung up my coat and sat down at the rewrite desk.

"Good morning," I said.

He growled. Martin's a good newspaperman but when he tries to give an imitation of the old-time, hard-boiled city editor, he's a laugh.

"How's the new boy doing?" I asked.

"Smart boy," he said. He picked up a stack of mimeographed papers and slammed them on my typewriter. Then I knew why he was sore. The new boy had painstakingly opened all the news handouts from government departments, lobbyists, and ordinary press agents and laid them on Martin's desk, together with the morning copy and the clippings from the morning rag, the *Washington Bugle*.

Usually the stuff is given to

## A SHORT STORY

BY

**Paul McCrea**

ILLUSTRATIONS

BY TONY SARG



MR. McCREA, associate editor of *NATION'S BUSINESS*, drew upon his long experience as a Washington newspaperman in penning this story. While the story is purely fiction, it gives an accurate picture of how personal axes are often ground on legislative wheels

me. I've seen so much of it I can throw most of it away without opening the envelopes.

"Since you're so bright this morning," Martin said, "maybe you can dig some snappy stories out of that."

I thumbed through it.

"Here's the ratio of marriages to divorces in New Mexico," I said. "Would you care for a short story on that?"

### One that's different

HE DIDN'T answer. I sat there leafing through the stuff and letting the sheets fall on the floor.

Finally I came to one that was different. It was mimeographed like the others, but was on ornate stationery.

"People's Punitive League," the letterhead read, and there was a picture of a fellow who looked like a cross between a Roman legionnaire and a British pikeman dramatically waving a sword. The picture





Then we got more letters, and we never really caught up after that

fascinated me. So I read the piece. It said something like this:

Mr. Arthur Burgess, president of the People's Punitive League, after a conference with Representative Tatlock, announced today that the Congressman will at once present on the floor of the House the League's bill increasing penalties for violation of the Federal Government's penal statutes.

When interviewed today Mr. Burgess declared that the League, which represents five million voters, will make every possible effort to get the bill passed at this session of Congress.

"Crime," he said, "is taking a tremendous toll from the people of this country every year. The only remedy is more adequate punishment of wrongdoers. Our League has fearlessly taken up this fight for the good of the country and the taxpayers. Our bill will strike terror to the hearts of offenders against the federal statutes and Congress, in passing it, will set an example that, we hope, will be followed by every state legislature."

### A specimen of lobbyist

THERE was more, but that was the sense of it. I was still looking at it when Ken Layden came in. He covers the Capitol for us and I thought he might get something out of it. So I showed it to him.

"That pest," he said.

"Have you seen him?"

"Try not to see him."

"Nut?"

"Not exactly. He's smarter than Tatlock, who's going to introduce his bill."

"What does the bill say?"

"Nothing."

"What's the sense in it then?"

"It's a job for Arthur Burgess. He'd rather be here lobbying than chasing ambulances in Oklahoma where he comes from. The woods are full of them."

"Full of what?"

"Full of guys that would rather lobby than work."

"So would I," I said. "How do you do it?"

"It's not hard. First you think up a name."

"Any name?"

"Almost any name but it ought to have 'taxpayer' in it."

I tried to think of a name, subconsciously watching Martin as I did so. The new copy boy had just filled Martin's paste pot and set it on the desk at his left elbow.

He didn't know Martin was left-handed. Martin didn't see the paste. So he upset it and cursed.

Layden grinned.

"There ought to be a law to protect left-handed people," he said.

That gave me an idea.

"Left-handed people pay taxes, don't they?" I asked.

"Doesn't everybody?"

"How about The Beneficent, Protective Association of Left-Handed Taxpayers?" I said.

"It's a good name," Layden said.

"Then what?"

"Then you make yourself president

of whatever it was you said and you draft a bill and present it to a congressman, telling him that millions of voters demand its instant passage. Then you get out handouts for the press and become very active."

"What about members for this association?"

### Memberships come freely

"YOU don't have any to start, but pretty soon, if you get your name in the papers often enough, people begin to write in asking how they can join your association and help in the great fight you are making.

"You send them a letter telling them what your association is doing to further its glorious cause and enclosing an application blank and a schedule of memberships."

"Isn't one membership enough?"

"Certainly not. There are five-dollar fanatics and fifty-dollar fanatics. So you have associate memberships, active memberships, contributing memberships, sustaining memberships and life

He smashed his dinner on the floor, dish by dish. Then he slugged a bus boy and the cops came





memberships. The prices range from a buck to what you can get."

"What do I do with the money?"

"You put it in your pocket and write the new member that a certain percentage of his fee has been applied to his membership and the rest put in the general fund."

"How long can I do this?"

### When the job ends

"UNTIL your luck fails and Congress passes your bill. Then you have to form another association."

"This sounds like bunk to me," I said. "Why would anybody pay any atten-

vestigate every plausible fellow who says he represents taxpayers. Besides taxpayers are voters and if you offend them you don't get reelected. I can name a hundred organizations lobbying right now in Washington that started just like I've told you."

He named some.

After Layden left I sat there thinking. It was a dull morning on rewrite. Martin was still growling at the new boy and now and then sopping up paste with a wad of paper.

Unreasonably I got to chuckling at what Layden had told me and thinking how funny it would be to start a Left-Handed League, with Martin as presi-

"Whatever that is," Martin said.

I ran a sheet of paper in my typewriter and typed out:

### THE BENEFICENT, PROTECTIVE ASSOCIATION OF LEFT-HANDED TAXPAYERS

JEREMY MARTIN  
President

Headquarters  
1529 R Street  
Washington, D. C.

The street number I gave was Martin's home address. Then I thought some more. I wondered how many left-handed people there were in the country. The World Almanac didn't say, but the Encyclopedia Britannica put the number at between four and eight per cent. That would make about nine million in the United States.

### Persecution of the left-handed

THEN I thought of all the things I had heard left-handed people complain of. I remembered how, when the gang went out to lunch after the home edition, Martin always picked a seat at the end of the table so there would be no one on his left to bump his elbow. I remembered the time Paul Hanson's left-handed wife burned herself because the thumb rest on her electric iron was on the wrong side and how she complained about the lips of skillets and long-handled pans being placed on the wrong sides for her. Finally I wrote this:

HONORABLE SO AND SO  
Representative from So and so  
House Office Building

Dear Sir:

In direct contradiction to the stated belief of the founders of our glorious Republic that all men are born free and equal, there are in this country today nearly nine million citizens who, although they pay the same taxes, willingly fulfill the same duties of citizenship and thrill to the same love of country as other citizens, are constantly subject to embarrassment, ridicule and often danger because of a peculiar handicap.

These nine million are the left-handed taxpayers of the nation.

Ignored by business interests and made a laughingstock by the press, which has contrived such names for them as "southpaws," "fork-handers," and "port-siders," these people have at last organized to present their plea to Congress.

We have established headquarters in Washington to ask assistance of Congress in the belief that the fair-minded gentlemen there assembled as the representatives of the people will not deny us the relief we seek. We ask nothing unjust or unfair. We ask merely that the same rights and privileges other persons enjoy may be extended also to us.

Briefly we shall ask that the following program be enacted into law:

1. That it shall be actionable libel when referring, in newspapers, magazines,

(Continued on page 170)



tion to a bill that I might have suggested?"

"Nobody would," Layden said. "Not to a bill you—Skeetz Galloway, rewrite man on the Washington Gazette—suggested. But put on a cutaway coat, get a brief case and a name that sounds important and all Congress will listen. They can't tell by looking at you whether you're a tremendous power or a tremendous liar. They haven't time to in-

dent and him knowing nothing about it. He hasn't much sense of humor anyhow.

"Martin," I said after a while, "how would you like to be a lobbyist?"

"I'd like to be anything," he said, "that would get me away from the condemned, misbegotten idiots in this unprintable office."

"Good," I said, "I'll make you president of the Beneficent, Protective Association of Left-Handed Taxpayers."



# SINCE LAST WE MET ★

## APRIL

- 9 • FORD MOTOR COMPANY made \$82,000,000 in 1929 as against a loss of \$72,000,000 in 1928 and a profit of \$43,000,000 in 1927.
- 10 • TWO-WAY television tested with success. If you are talking by phone do you or don't you want to see, and be seen by, the man on the other end?
- 11 • RADIO CORPORATION is to acquire Columbia Graphophone to add to Victrola. Columbia is chiefly valuable for its foreign distribution organization.
- 13 • DEPARTMENT OF COMMERCE survey shows retail credit losses 0.6 of 1 per cent in open sales; 1.2 per cent on installment sales.
- 14 • RICHARD WHITNEY, 41, chosen president of the New York Stock Exchange.  
  
NEW BRITISH budget puts the standard income tax at about \$1.12 on each \$5 of income.  
  
LIFE insurance sales for March 4.5 per cent above March one year ago. Total new business for March 1930, \$1,220,000,000.
- 15 • A. & P., largest food chain, showed sales of \$1,050,000,000 and net profits of \$26,200,000 for year ended February 28.  
  
COPPER cut from 18 to 14 cents a pound. Stocks have been piling up and the stabilized price couldn't be maintained. Report of a merger of Calumet and Arizona and Phelps Dodge.
- 16 • A. T. & T. offers \$235,000,000 in new stock. Each share gets a right worth between \$20 and \$25.  
  
GENERAL ELECTRIC and Westinghouse Electric get control of Radio Corporation, and the Department of Justice starts to investigate.
- 19 • WHITE STAR and Cunard will draw closer together (they now jointly run the Majestic and the Berengaria) to meet the North German Lloyd-Hamburg American compact. (See this calendar of last month under date March 25.) Other nations may follow.

## APRIL

- 19 • AUTO output for March, 401,000, largest since September 1929, but 180,000 under March 1929.
- 22 • PRESIDENT HOOVER predicts a \$20,000,000 deficit in the fiscal year 1930-31.  
  
GENERAL MOTORS' report for first quarter shows a decline in earnings from \$62,000,000 in 1929 to \$44,000,000 in 1930.
- 26 • TABULATION of earnings for first quarter of 1930 shows a gratifying number of increases. In general, industrials and railroads were off while utilities did better. Among the companies showing actual increases were General Electric, Bethlehem Steel, General Foods, Allis Chalmers, International Business Machines, Wrigley, Curtis Publishing and Paramount-Famous-Lasky.  
  
SÃO PAULO, Brazil wants \$85,000,000 loan to undo the effect of valorization of coffee for which other loans were made some years ago.  
  
GOVERNMENT will have a small surplus at the end of the fiscal year June 30, 1930.
- 27 • JULIUS H. BARNES, chairman of the President's National Business Survey Conference, reports for that body a bettering in business conditions.  
  
FIRST census summaries show the urban increases are as great or greater than expected. The community under 2500 and the rural districts are the sufferers.  
  
SIR HENRY THORNTON of the Canadian National phones from a moving train to Washington and to London.
- 28 • UNITED STATES CHAMBER'S Annual Meeting opens.  
  
MARCH net earnings of 46 railroads were 39.5 per cent off from March 1929.
- 29 • U. S. STEEL for first quarter showed \$35,777,000 net earnings, about 20 per cent under the first quarter of 1929.
- 30 • UNITED STATES CHAMBER has its liveliest session over the Farm Board with Chairman Legge and Secretary Hyde in the Farm Board's defense.



# A Business Record April 9 to May 8

## APRIL

- 30 • DRUG, INC. adds Vick (Vapo-Rub) to its merger. It also controls Liggett in this country and Boots in England, great chains of drug stores.

FOREIGN borrowing the first quarter of 1930 was \$338,000,000 says the Department of Commerce. Largest since second quarter of 1928.

## MAY

- 1 • FEDERAL RESERVE BANK of New York drops rediscount rate to 3 per cent, lowest since February 26, 1925. Bank of England cuts rate to 3 per cent; Bank of France to 2½.

GENERAL MOTORS to retire \$175,000,000 in securities and substitute an issue of 5 per cent preferred.

PACKARD'S president, Alvan Macauley, says their new Diesel aircraft motor is far from being usable for autos.

THE New York Times' table of 240 listed stocks shows they lost in value \$1,238,000,000 in April, first down month of the year. The same stocks gained nearly \$3,000,000,000 in March.

APRIL failures 2,198 (R. G. Dun & Co. figures), largest for any recorded April but lower than any previous month this year.

PRESIDENT HOOVER tells United States Chamber dinner that worst of depression is over; wants commission to find out what happened.

CHAMBER, at final session, goes on record against using government money to support agriculture cooperatives or to buy and sell commodities.

NATIONAL CITY BANK reports net profits of 200 industrial corporations for the first quarter of 1930 at \$293,000,000 as against \$363,000,000 in 1929, a drop of 19.2 per cent. Ninety-five utility companies were up 2 per cent over 1929 and 19 per cent over 1928.

- 2 • STOCKS break under heaviest liquidation since November 13. A six-million-share day with two millions sold in last 50 minutes. Bonds up a little.

## MAY

UNITED STATES Steel cuts wire prices.

- 3 • STOCKS again break with 4,867,000 shares sold in the two-hour day.

DELAWARE & HUDSON follows Chesapeake & Ohio, Baltimore & Ohio and Wabash in withdrawing its proposal for merger.

WHEAT prices at near the lowest in recent years, closing at about the dollar level.

- 4 • ONE THOUSAND economists—46 states and 179 colleges represented—petition Mr. Hoover not to sign the tariff bill.

- 5 • FORD MOTOR COMPANY increases dealer discounts.

A. P. GIANNINI retires from office in all his companies save chairman of the advisory committee of Transamerica Corporation.

STOCKS rise in eight-million share day, fifth biggest in Exchange history.

- 6 • STOCKS up two days running and Wall Street breathes easier.

CLASS I railroads in first quarter had net operating income of \$176,000,000 as against \$259,000,000 in first quarter of 1929. Drop of 32 per cent.

COPPER drops again to 12½ cents, lowest price in six years.

- 7 • A PHILADELPHIA real estate firm takes two pages in a New York newspaper to invite department stores, theaters and apartment houses to come to Philadelphia.

- 8 • FOREIGN trade figures for first quarter of 1930: exports \$1,129,000,000 a drop of \$290,000,000; imports \$893,000,000 a drop of \$229,000,000.

ATTORNEY-GENERAL will begin action against the Radio Corporation and that company will hold up its General Electric-Westinghouse merger.

NEW YORK real estate operator buys a down-town block and proposes a building of 60 or more stories with a tower running up 105 floors.



# Why I Am Helping

By Henry Ford  
in an interview with  
William A. McGarry

DECORATIONS BY EARL HORTER

**W**AGES the world over, in Henry Ford's opinion, will come inevitably to present-day American standards. The only barrier to that development is a mental attitude, the inability to see that the way to national prosperity anywhere is by quantity production, low prices and consequent widespread distribution through ever enlarging home markets. Elsewhere than in the United States this barrier is still standing but it is beginning to crumble. Before many years it will collapse.

Outstanding indications of the new order are to be found, Mr. Ford believes, in various parts of the world although the methods of approach in different countries may be wholly unrelated and dissimilar. Russia is going in for quantity production, Ireland is going after higher wages. The effect of these advances on the lives of the people can be accurately calculated beforehand.

## What of cheap labor countries?

THE picture on which these statements are based is so clear to Mr. Ford that when I discussed it with him recently at Dearborn he was at a loss to understand how anyone can doubt it. He was puzzled, too, at the question in the minds of many business men as to the effect on industry and prosperity here of world-wide extension of the American economic system.

This question has cropped up repeatedly in connection with reports of modernization programs in all the industrial nations of Europe. It has even been applied to China. What would become of our prosperity, it is asked, if American or other manufacturers were to set up mass production machinery in the cheap labor markets of the Orient,



Mr. Ford believes that any nation steadily and profitably

thereby enabling them to flood this country with merchandise?

More recently the discussion has been taken out of the academic field by the widespread publicity given to the Russian five-year industrial program. Because this program is based almost wholly on American production methods, it is said with truth that the Russians are in the market not for what we make but for what we know.



# Russian Industry



THE business man contemplating doing business with Russia faces a complex situation. There are conflicting reports coming out of Russia, conflicting opinions as to what the business man might expect. Mr. Ford did not hesitate to deal with the Soviet. He has a philosophy of his own about Russia, production, and world competition

social and political theory. In America a counsel born of fear and distrust has arisen to this effect—that it is suicidal for American industry to cooperate in any way with Russia until her theory and form of government are more nearly in accord with our own. How then can the two systems cooperate?

Henry Ford, however, is a practical man of simple, direct thinking with little or no interest in theory, least of all in political theory. His view of the Russian situation, and especially of his part in it, is that industry is good for any people. If the Russians have sense enough to want industry he is willing to help them get it. He thinks they showed excellent judgment in coming to America for their industrial method.

## Hard work makes good neighbors

BESIDES all that, he believes that any nation steadily and profitably employed is a well behaved nation and a good neighbor.

I should say that he is counting on common sense.

If the Russians fail to use their common sense, only they are the losers. It is characteristic of Mr. Ford that he observes actions rather than protestations.

That is why Henry Ford did not hesitate to deal with the Union of Socialist Soviet Republics. It is why he has received in his shops and engineering laboratories at Dearborn a large corps of Russian engineers. These technical men have been given the run of the works. All plans, patterns and research activi-



employed is a well behaved nation and a good neighbor

Some Americans have asked, "What will they do with the knowledge after they get it?" Soviet leaders have made it plain that they are out to convert the world to communism. The best of capitalism and the best of communism may exist side by side, but if so, the method has not yet been found. In Russia at present the economic issue is confused by







ties are open to their study and inspection. Not very far away Mr. Ford is putting up a museum which will be a text book of how America became more prosperous than any other country, and how it may become still more prosperous.

"Russia," Mr. Ford said to me, "is beginning to build. It makes little difference what theory is back of the real work, for in the long run facts

will control. I believe it is our duty to help any people who want to go to work and become self-supporting. I have long been convinced that we shall never be able to build a balanced economic order in the world until every people has become as self-supporting as possible.

"This system of keeping certain nations dependent on others economically must disappear. It is going to disappear. Then, when we know just what every nation can do, we will be in sight, for the first time, of a civilized economic practice. I am ready to admit that as people after people come into self-support, certain markets, so-called, will disappear. There will be readjustment. But it will be worth the price we will be asked to pay.

### Profiting by others' mistakes

"WHEN Russia and China and India and South America come into consuming power, what are you going to do? Surely you don't think that Britain and America will be able to supply them! Surely you don't visualize Britain and America as nothing but vast factories to supply the world! A moment's thought will make clear why the future must see nation after nation taking over its own work of supply. And we ought to be glad to help that work along.

"Only stupid greed—but more stupidity than greed—could think of the world continuously dependent on us or think of our people as the perpetual factory hands of the nations. No, the nations will do as Russia is doing. By taking advantage of American methods now the Russians get the benefit of a half century of experience. They start abreast of the times, industrially. Experiments that took years in this country will be unnecessary. They will be able to avoid costly mistakes. The world will never regret showing good will to any people, no matter whom.

"The adoption of high wages, low prices and mass production in all countries is now only a matter of time. Instead of reducing our foreign markets, it will serve to define them. We shall make

and sell more of the things we can manufacture better and more economically than other nations. Every other nation in turn, will make and sell more of the things which it is best fitted to supply to the world.

"The fear that any other country can make everything its people can consume is contrary to experience. Nature has distributed her gifts, which are the only real monopolies. This intense interest in foreign markets may conceal a fallacy. Have we fully developed the home market? That is an important question. We say we have overproduction in some lines, but it is really underconsumption.

"I am speaking now of staple goods, that serve the life and add to the wealth of the people. Some things are overproduced that ought never to have been produced at all. I do not believe that anything—anything—that will keep wheels turning is necessarily good business. Our own country is not yet supplied—or even half supplied—with what it ought to have.

### Still higher wages to come

"COSTS are still too high and wages are too low even in this country. We do not regard the Ford minimum wage as a maximum, or a peak. As an insurance of business and industry price reduction and wage increase must be continuous. It is gratifying to see how quickly American business grasped this idea. Of course, there are still some rough spots, but they cannot long survive the better idea."

Mr. Ford's views of world wages are based on the experiences of the Ford Motor Company in every part of the





world. In Ireland the Ford minimum wage of seven dollars a day has affected more than 4,000 men who are employed in the Ford plant at Cork. In England the new plant at Dagenham will employ 30,000 men at not less than a pound a day. The recent Ford increase affected every Ford employee in the world.

### Industry depends on the wage-earner

"THE wisdom of paying high wages has been made apparent by the new value that is set on home markets," said Mr. Ford. "For a long time, manufacturing countries sent their product to outside markets and used their own people merely as production machinery. All that was thought necessary was to pay these people enough to keep body and soul together, and work them 15 hours a day.

"Now, these production people are the customers of indus-

try. There is not enough trade in the wealthy classes to keep any industry running.

"Industry depends on the plain people entirely—the wage-earners. They can buy only if they have money. They can have money only if they earn it. Thus American industry depends on the market made possible by the American wage.

"Another thing. People must have time to use what they make. People who worked 15 hours a day needed very little. But leisure creates needs which labor supplies. So you have the two American contributions to practical industrial economics, higher wages and shorter hours. They are sound practice. Higher wages and shorter hours are bound to be adopted everywhere.

"In much less time than was required in this country employers and business men of other countries, with our experience to aid them, will recognize that high wages increase national buying power. The effect of increased buying power is to stimulate production, and since it is cheaper to make anything on a large scale than on a small one that will have the effect of reducing costs."

Out of this world-wide sweep of high wages the world's most successful manufacturer foresees also the growth of a potent force for world peace and international understanding.

Mr. Ford's vision of the effect of universal high wages and mass production is exactly the reverse of that which sees therein a threat to American prosperity. Instead of calling for the erection of more and higher tariff barriers, for example, he believes high wages the world over and mass production will eventually make tariff barriers unnecessary.

### To do what they do best

MR. FORD is convinced that there is more than enough work in the world to go around, and more than enough need for goods to keep all the peoples of the world busy. Therefore the only way to supply the demand and get prices and costs to their lowest possible points is for each people to do the things they can do better than any other.

What these things may be will be determined by experiment, in his opinion.

With the entire industrial world progressing on that basis, Mr. Ford believes that danger of monopoly on the part of any country or countries will be completely eliminated.



"Russia is beginning to build. It makes little difference what theory is back of the work"

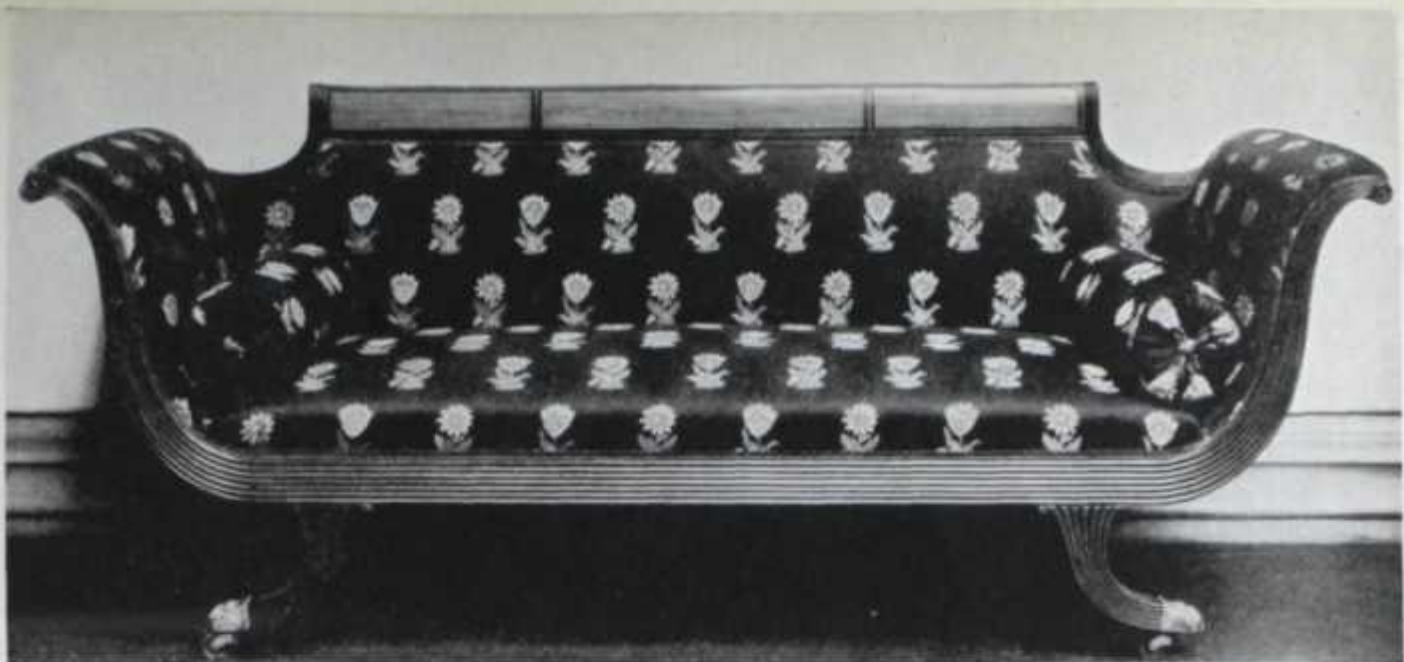




#### 4 • Embarrassing Moments in the Lives of Great Business Men—By Charles Dunn

★ A friendly meeting of railroad presidents is threatened with disruption over a problem of operations raised by the host's grandson. Messrs. Gray and Williard look into the condition of the rolling stock; Crowley and Shoup heatedly argue the merits of electric power; Loree holds out for a consolidation, while General Atterbury insists on improvement of the right of way





Modern methods made this handsome piece of furniture but a Colonial sofa provided the inspiration

# The New Birth of Colonial Art

By ROBERT W. de FOREST

President, Metropolitan Museum

As Told to Earl Reeves

**U**NTIL recently we have been accustomed to speak with pride of our new "age of machinery"; and have regarded the days of our forefathers as an era of crude handwork.

But lately a remarkable reversal has occurred. We have begun to question a little the all-righteousness of this "age of machinery." Simultaneously these forbears of ours grow in stature.

Their "crude handwork" now is recognized as having been very good indeed. In fact, those of us who are not afraid of the word go so far as to declare that this handwork was good "art."

The American public is rediscovering its own artistic origins and in so doing vastly improving the national taste. This discovery is no "antique craze" but a sound and deeply rooted trend which has revolutionized many phases of industry and trade. Business has been "discovering" the museum; and to an extent not generally recognized, the museum has served business, while the latter—for reasons of self-interest and not in a spirit of altruism—has become a teacher of art.

For the beginnings it is necessary to look backward a few years.

Toward the middle of the last century those craftsmen who worked

chiefly with hand tools fashioning furniture and furnishings for American homes may be said to have met a sort of double defeat. First, they were swept from old traditions by a new rococo influence from Southern Europe. Florid designs were the keynote when the factory system administered the final blow to the guild of fine handcraftsmen.

## When mass production was essential

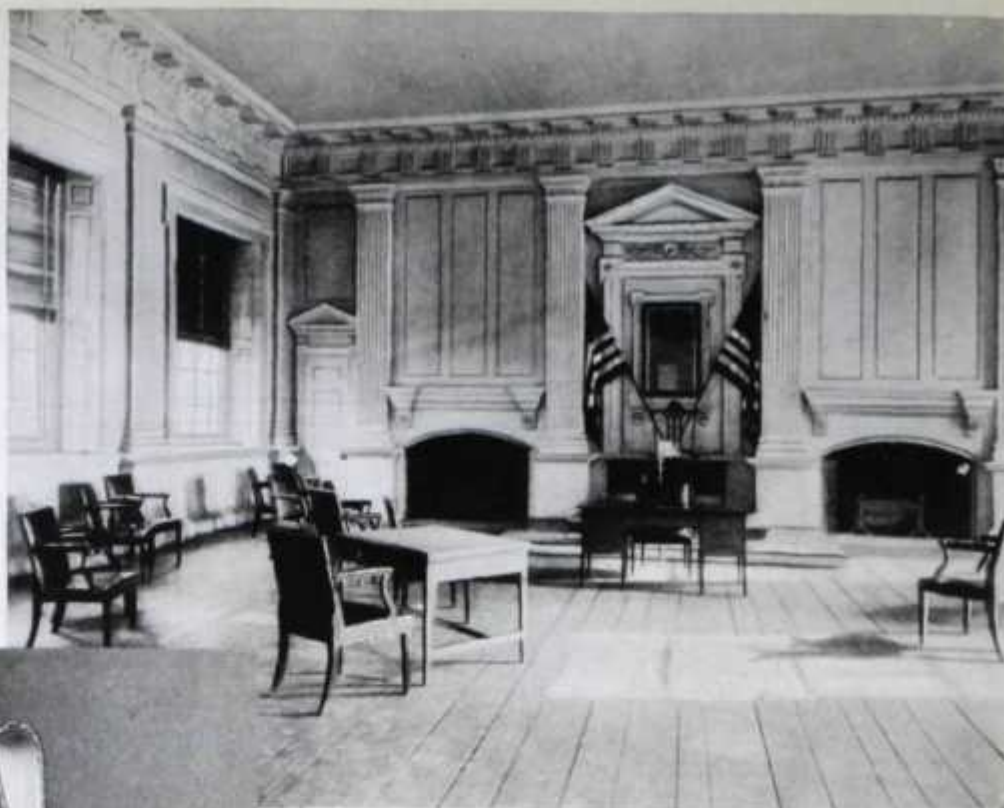
**YOU** will recall what happened then. For half a century the nation's boundaries expanded; venturesome souls arrived from Europe, chiefly from districts barren alike of economic and cultural opportunity; the machine age struggled not to produce durability or beauty in products but to keep pace



**MR. de FOREST** is not only one of America's leading patrons of art, he is a lawyer, capitalist and business executive. He sees a practical business side to the beautiful and the artistic. In this article he explains how that which cynics still jeer as the "antique craze" is definitely affecting many phases of industry and trade



The furniture in this room used by the signers of the Declaration of Independence is frequently reproduced today



COURTESY THE MUSEUM IN INDEPENDENCE HALL, PHILADELPHIA

The Metropolitan Museum of Art assisted Good Housekeeping Studios to furnish this bedroom



The pine tree off the old shilling became the decorative theme for a best seller in flat silver



COURTESY "GOOD HOUSEKEEPING"

with the rapidly growing needs of the young nation. America performed a great productive feat but Americans surrendered their artistic independence. What thought the factory system gave to form and design was based on confusion. Ornamentation was regarded as art, and we had jigsaw, scroll and gilt.

As industry progressed, designers came from abroad; and for the rest we developed a habit of stealing from abroad, of buying a fabric, a wall paper or a household object abroad and brazenly reproducing it here.

But a time came finally when we were no longer struggling to keep up with a ravenous demand for bare necessities. The public wanted better things, more beauty, although it was almost wholly untutored in the arts, and was but vaguely aware of its wants in things artistic.

As a part of this stirring of ideas, New York, nearly a quarter of a century ago, formed a municipal art commission, of which I became president. The immediate reaction among architects was a belief that, to have any public building plan passed, it had become necessary that the design should be elaborate and covered with ornamentation. We spent several years teaching architects that simplicity is beauty; and that, to be good art, a design must be appropriate to use.





COURTESY METROPOLITAN MUSEUM OF ART

The woodwork is from the Powell house built in 1769; the furniture, Chippendale, the gown and silverware were made in the Eighteenth Century

The graceful beauty of this Hepplewhite inlaid mahogany sideboard was once regarded as "crude handwork"



COURTESY METROPOLITAN MUSEUM OF ART

This room, from Portsmouth, shows influence of the Flemish, Spanish and Portuguese on Eighteenth Century art



COURTESY METROPOLITAN MUSEUM OF ART

If this was a typical reaction from men who had studied beauty, little wonder that the manufacturing, selling and consuming public also suffered from artistic blind spots.

Two events apparently unrelated carry this story forward.

Some of us, lured by a collector's hobby, had been delving into that period which preceded the dark age of machine-made atrocities. What we found was beautiful, as well as of historical value. As a part of the Hudson-Fulton celebration of 1909 we resolved to hold an exhibition of colonial arts and crafts. The objects selected were arranged as nearly as possible in their original settings. There for the first time large numbers of Americans saw, recognized as their own, and instantly appreciated this truly American art of another century.

Then, in 1914, Europe went to war and such designers as we had imported were called home to the colors. Various

(Continued on page 193)



# Do You Plan to Sponsor

By Roy S. Durstine

Vice President, Batten, Barton, Durstine & Osborn, Inc.

DECORATIONS BY RUSSELL PATTERSON

**A** LADY reaches for a caramel and thereby lifts her attention for three seconds from the love story on her knee. A famous soprano is just reaching the climax of a song on the radio. The lady doesn't like high notes. She switches to some dance music and the next morning she tells her husband that there are too many sopranos on the air.

Her husband tells three friends at lunch, and that evening three more homes are sure that there are too many sopranos on the air.

## Many critics

PEOPLE are funny about broadcasting. They hear it in the intimacy of their homes. There is no crowd psychology. They form quick judgments and they like to generalize.

When a person buys a radio receiving set he becomes a critic. He can tune in and tune out with a twist of the wrist. He is ruthless. That is as it should be, because, after all, broadcasting comes into his intimate family circle and there is nobody to tell him what he must like.

Several million people every year are buying radio sets for the first time. Other millions are replacing their old sets with new ones. All these people expect to be entertained. Buying a set is buying a seat for the big broadcasting

show. Who is going to give that show?

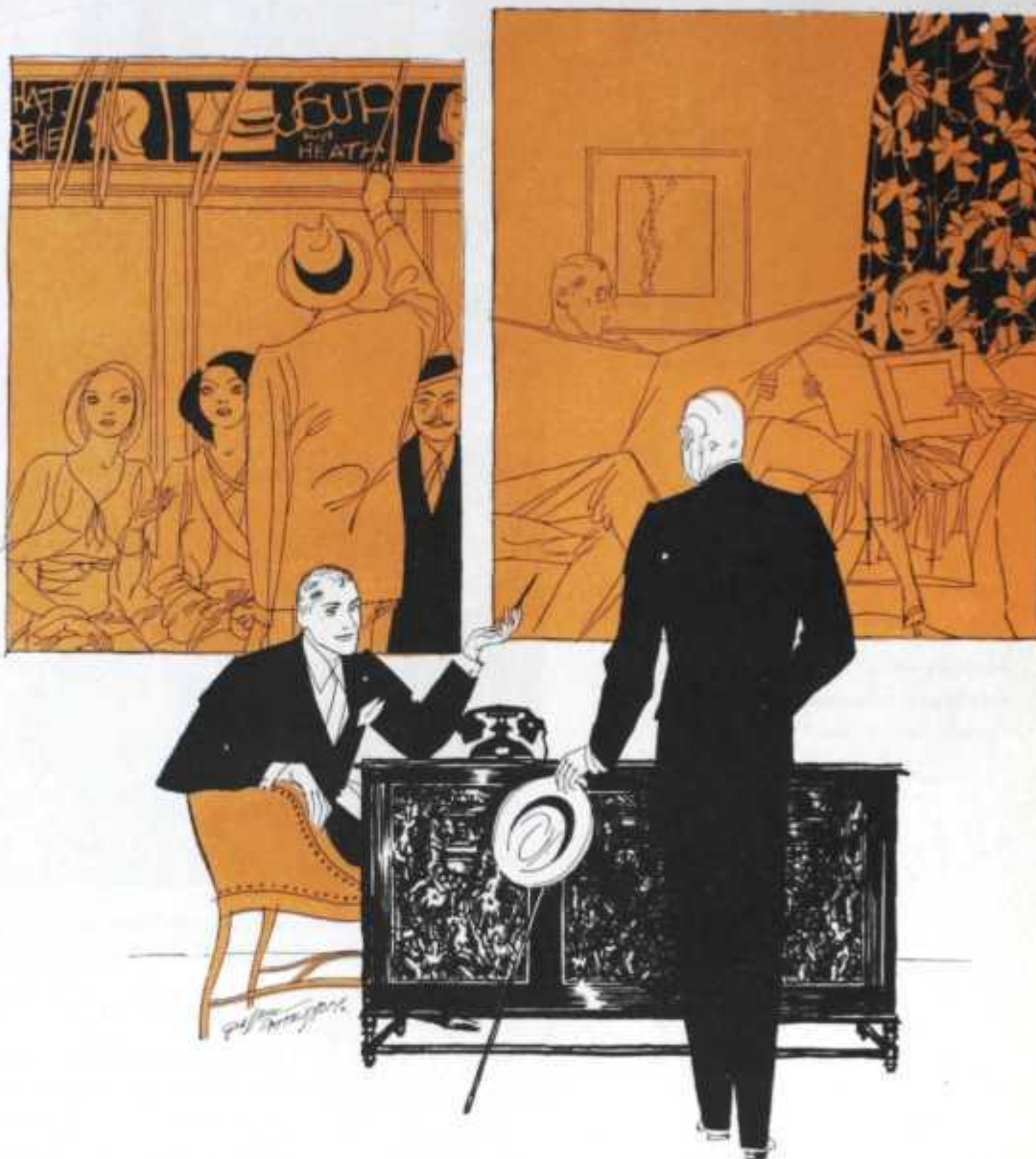
In this country that question has been answered like this:

"The public wants entertainment. The advertiser wants the public's attention and is willing to pay for it. Therefore, let the advertiser provide the entertainment."

How does it work?

"Under the present method, broadcasting in the United States is leading every other nation on earth," recently said Federal Radio Commissioner La Fount.

It is an extremely workable arrangement but because it is new, perhaps, some things about it are not quite ideal from either the listener's viewpoint or



It is the advertising agency's business to advise the manufacturer whether he should use newspapers, magazines, car cards, billboards, direct mail or radio



# a Radio Program?



**YOU** probably don't know what time people go to bed on the farm. Perhaps you don't want to know. But many men do. Those men are blazing the trail for the newest medium of advertising—the radio. And bedtime on the farm is only one of the questions for which they are trying to find an answer. Many of the others are just as unusual

the sponsor's. The listener sometimes becomes restless when the advertiser takes 30 seconds of a 30 minute program to tell who he is. The advertiser frequently becomes impatient when the public casually accepts a costly program without writing in to say how good it was.

The same advertiser wouldn't expect

people to write and tell him how much they liked the painting used to illustrate his magazine advertisement. But radio is a new type of advertising, and sometimes he wants to be reassured about it. Not only does he want it to influence people in his behalf but he wants them to write and tell him how much they enjoyed being influenced. The astonishing

part is that often they actually do!

But still some advertisers, in their eagerness to squeeze out every ounce of value, lose their sense of balance, their sense of taste and their sense of the ridiculous. They overadvertise. They rub it in. Their number is small but they make a lot of trouble. One overreaching program harms a dozen others produced with taste and restraint.

## Radio is not yet ideal

IT WOULD be odd if anything as new as broadcasting were ideal from everybody's viewpoint. The important point is that the present arrangement works. Advertisers vie with each other to provide the finest artists available. The listening public is getting a 50 million dollar broadcast show this year—for the price of a receiving set.

A broadcasting program gets on the air somewhat like this:

There is a radio enthusiast among the executives of almost every company. Several may have sets and listen frequently, but there is one genuine addict. He knows what you will get at 9:15 on Sunday nights; he can tell you the Happiness Boys' real names, and who makes the musical arrangements for the Revellers. One day he goes into his office and says to his associates, "We ought to use radio." That starts it. For the next few months or years the discussion goes on.

The company probably asks its advertising agency about broadcasting. Today, fortunately, many advertising agencies have equipped themselves to discuss broadcasting intelligently. The day isn't far off when a working knowledge of broadcasting will be as



much a part of every good agency's equipment as its ability to discuss the newspapers of Chicago or the women's magazines or the comparative advantages of color or black and white.

Even now some agencies are playing an increasingly important part in radio advertising—some of them doing the whole job from planning the program to directing it as it is broadcast. These agencies simply engage the mechanical facilities of the broadcasting companies for their clients as they purchase the facilities of a publisher.

### Good advice is needed

ONE early danger for a company considering broadcasting is that it may be fascinated by the prospect of hearing its name on the air and participating in putting on a show. There is a backstage glamor about a broadcasting studio. It dazzles people.

The president of the company may turn out to be a season subscriber to symphony concerts or his wife's ambitions for a musical career may have been ended by marriage. In cases like that, broadcasting ceases to be merely an advertising medium. It becomes an exciting plaything.

It is just as well for such an executive to have an advertising agency at his elbow with enough courage to say: "Don't use broadcasting by robbing your primary advertising in magazines or newspapers."

For broadcasting supplements the older forms of advertising. It doesn't replace them. It provides a unique background for other types of advertising. It may be said to create a degree of friendliness beyond any other medium. But it does not fill the part required by the kinds of advertising in which direct selling is not only permitted but expected.

When it comes to preparing the program itself, an advertiser has his choice of getting ideas and artists from three sources—the service staffs of the broadcasting companies, the independent concert bureaus, and his advertising agency.

The advertising agency is the only one of the three closely acquainted with all of the manufacturer's advertising and selling policies. It has no special reason to recommend one medium over

another. Its business is to look over the whole field of advertising and to advise the manufacturer whether to use newspapers, magazines, billboards, radio, street cars, direct-by-mail, or some combination of these different kinds of advertising.

Its knowledge of a proper relation between sales volume and the advertising budget prevents it from urging a too great expenditure in any one medium. The advertising agency which knows its job, and does it, will never try to get an advertiser to take a full hour if a half hour will do the work or to engage talent which it knows is beyond his means. It has to use ideas, not mere bulk of impression, in planning broadcasting, as well as in every other part of its work for an advertiser.

The advertising agency has no list of artists whose services it is trying to sell. It is free to select for a broadcasting

ing. The salesman for a national magazine is paid to sell as much space as he can in his own publication. The salesman for a newspaper is hired to get more lineage. The salesman for a broadcasting company, just as truly, is concerned not only with the sale of that unique commodity—time on the air—but may be charged also with the sale of artists on whose services his company receives a commission.

The advertiser holds none of these salesmen responsible for the outcome of his advertising as he does his advertising agency. It follows that his advertising agency, to maintain the continued relationship which is vital to its reputation and livelihood, is merely serving its own interests when it buys broadcasting facilities and talent with as much economy and care as if it were spending its own money.

Only the advertising agency is in a position to check the results of broadcasting programs for an advertiser. Listeners who write to an advertiser address that advertiser by name, sometimes in care of a broadcasting station but more often directly to the advertiser's factory. It is a part of the agency's work in connection with radio to keep a record of this fan mail. This record is not merely a count of replies analyzed by localities. It is a careful study of the type of stationery, the sex, and apparent age of the writer, a rough classification of good, fair and poor responses, and a thoughtful reading of the letters for suggestions in building future programs.

### Programs are limited

NO ONE advertising agency produces a sufficient number of programs to make this an unwieldy task. The greatest number handled by an advertising agency is twelve evening programs and nine short morning broadcasts.

Of course, it is impossible for an advertising agency to start producing broadcasting programs overnight. The technique of planning, rehearsing and directing them is a study in itself. It is one in which some advertising agencies have been engaged almost as long as broadcasting has existed.

The place to learn to do broadcasting is in the broadcasting studio. The agency or the advertiser wanting to make an intelligent study of it can do no better at first than to call upon the service staff of a broadcasting company for help.

He will find skilled musicians with  
(Continued on page 154)



Fan mail is checked as to locality, sex, quality of paper and writer's education

program whatever talent seems best suited for the purpose and comes within the advertiser's budget. It can buy from the concert bureaus of the broadcasting companies or from the individual managers. It has made no guarantee to artists for a certain number of appearances within a year. It has no arrangements by which it buys talent at wholesale and sells it at retail.

It has infinitely more at stake with an advertiser than any other organization coming in contact with the advertiser at only one point of his advertis-



# Your Business Needs the Railroads

By SAMUEL M. VAUCLAIN

Chairman of the Board, Baldwin Locomotive Works

In Collaboration with Earl Chapin May



Samuel M. Vauclain. "Since my attitude toward the railroads is one of armed neutrality, I'm free to express opinions"

**A** FRIEND of mine accompanied me on my regular Wednesday trip from Philadelphia to New York recently. After we had bought our tickets he chuckled.

"What's amusing you?" I inquired.

"For once, I got ahead of the railroad," he replied.

"How did you get ahead of the railroad?" I asked.

"That ticket agent gave me a dollar too much change."

We were walking toward the train gate.

"Who do you think will lose that dollar?" I inquired.

"The railroad corporation, naturally."

"Not at all," I told him. "The ticket agent will have to pay that dollar out of his own pocket when he makes up his

cash account tonight."

My friend stopped.

"I'll go right back to the window and square myself with the ticket agent," he said.

He did.

Like my friend, a great proportion of our population seems to take delight in getting the best of a railroad.

This phase of man's psychology interests me because for nearly 70 years I've been intimately associated with railroading. I've travelled on most of the 250,000 miles of railroad in this country, to say nothing of the hundreds of thousands of miles in Canada, Mexico and in other countries. But, though I make my living out of railroads, my attitude toward them is one

●  
FOR nearly 70 years Mr. Vauclain has been intimately associated with railroads. Out of his experience has grown the opinion that the public treats the roads unfairly. He gives some common sense business reasons for his belief and explains why the public attitude is economically dangerous

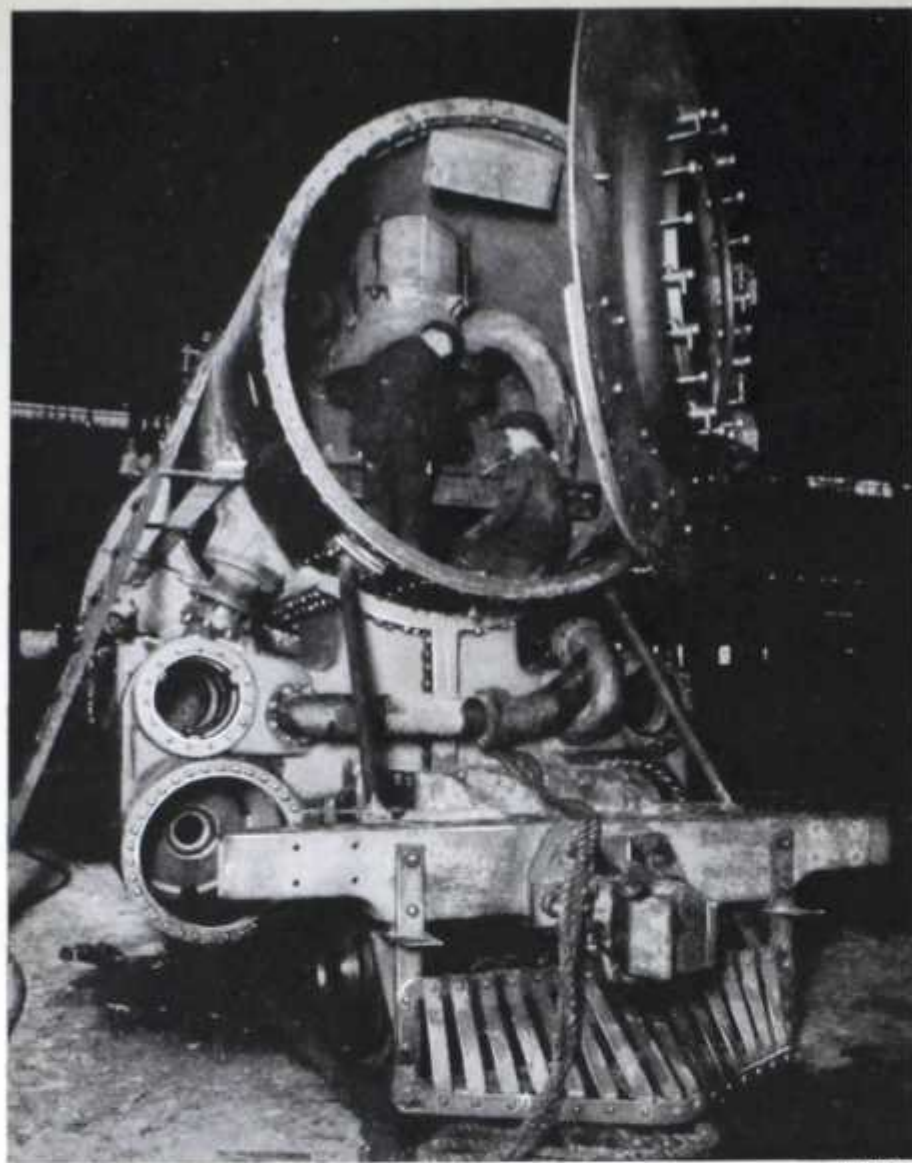


Electric welding on a locomotive boiler in the Baldwin Company works

of armed neutrality. Hence I have no bias toward them except that induced by common sense and a desire for national prosperity—and national safety, when it comes to that.

As a manufacturer of locomotives I must study all forms of transportation, yet I am only a necessary evil to our railroads. Because railroads cannot exist without motive power and locomotives provide that motive power, the rail-





Installing the smokestack in a new locomotive. Mr. Vauclain says locomotives will continue to haul our heavy loads for many years

roads buy some locomotives from the works with which I am identified. I've had many experiences with railroad officials.

This state of affairs leaves me free to express my opinions on the public's attitude. My chief opinion is that railroads are getting the worst of it. They've been baited for decades by those they have most benefited.

### Railroads are most important

THIS country—especially the Atlantic seaboard—is becoming the workshop of the world. Business healthfulness depends on exchange of commodities. These commodities cannot be exchanged without transportation. This transportation is primarily effected by common carriers. The most efficient common carriers are the railroads.

Perhaps if the present generation knew some of the obstacles our early railroads overcame, it would be less

eager to grind the roads between government rate control and high taxes and other overhead.

Our first transcontinental railroads fought Indians, bad men and bad legislatures to say nothing of natural obstacles. They solved unprecedented engineering problems. During our Civil War railroads kept the nation from disintegrating. The United States could never have done its share in the World War without its common carriers.

While in Cincinnati one day I heard a gentleman complain about freight rates between New York City and his store.

"The railroads charge me too much to haul my goods from there to here," he complained.

"How much does it cost to get your goods from your freight station in Cincinnati to your store?" I asked.

He figured a minute and then replied, "By George! I never thought of that."

Of course his local cartage was his bigger item. I knew it because of my

own experience. My home is 12 miles from Philadelphia. The railroad charges me 25 cents a ton to haul coal that distance. That seems, at first, like a good deal of money. But the carter at the village where I live charges me about \$2 a ton to haul that coal two blocks from our railroad and put it in my cellar.

### Trucks are less efficient

YOU hear a lot of loose talk about motor trucks. They are mighty useful at times. On pick-ups and city distribution, and on short hauls over highways paid for by our citizens, they aid materially in transportation. Yet they're not indispensable.

After the World War we had two active plants. The old works in Philadelphia employed about 10,000 men. About the same number were employed in the new works at Eddystone, 12 miles down the Delaware from the Philadelphia plant. Many tons of material had to be transported from the old to the new plant daily.

We had been persuaded to invest in a fleet of motor trucks. After investigation we found that we might soon have an endless chain of them, 24 miles long, running between the two plants, if the city authorities didn't enjoin us. By a little figuring we found it was much cheaper to move our stuff by rail, loading and unloading at each plant, than to transfer any part of it with trucks. So we practically retired from the trucking business.

Speed is essential to our prosperity. Quick action is ingrained in us. Time is more valuable than it used to be.

So it is with railroad hauling. Two billion dollars' worth of freight is moving on our rails each day. If it can move twice as fast we save the interest on two billion dollars. That amount is worth figuring on. A much smaller amount interests me as president of the Baldwin Locomotive Works. If faster freight schedules permit us to turn our money in three months instead of four and we are turning out ten million dollars' worth of locomotives a month, the time saved makes a difference of about three million dollars in our profit annually. That is one reason our works management won't stand for car demurrage. The orders are, "Unload those cars." And we unload them without demurrage. Hence that economic crime can't be laid to our door. It shouldn't be laid to the door of any live business or industry. Yet in one day the Pennsylvania Railroad system will collect demurrages equivalent to many hundred cars. In



dull times this is not important. In busy times it is. To be prosperous we must keep things moving.

Our railroads are educating shippers to prompt loading and unloading. Increased speed at the freight platforms shortens the time freight is in transit and lessens the amount merchants must invest in stocks. To save this money for the merchants the railroad invests heavily in freight cars, safety devices, roadbeds, bridges, rails and locomotives.

If Peter Cooper of New York City hadn't been financially interested in mechanics as well as in Baltimore real estate, and hadn't had his nerve with him, "Tom Thumb," our first locomotive, wouldn't have come back

and made good after being beaten by a horse at Baltimore. And if Peter Cooper, Phineas Davis, Ross Winans, Matthias Baldwin and other engine builders hadn't "carried on," the westward migration which made this nation would have depended on saddle horses, stage coaches, Conestoga wagons or on boats and barges. In other words our natural material and cultural development to-

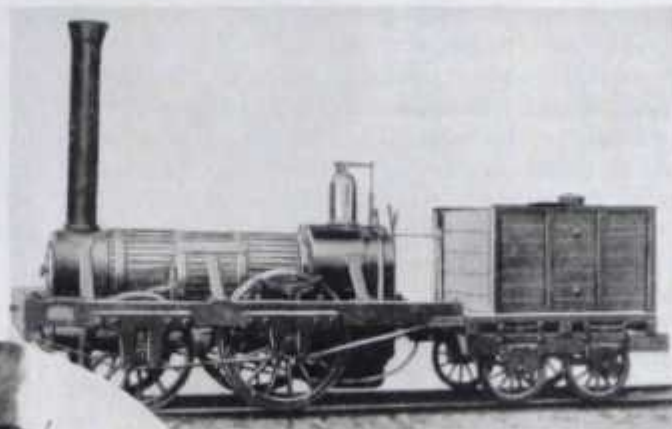
day would be about where it was in 1842.

Happily for all of us, locomotive builders handled their part of the problem acceptably. From five-ton "Old Ironsides" built by Mr. Baldwin in 1831, to Mr. Baldwin's first "Consolidation" which weighed 45 tons and was finished for the Lehigh Valley Road in 1866, was but one of many steps taken by developers of railroad motive power. From passenger trains of four light cars to trains of 14 Pullmans each weighing 125,000 pounds or more is another step made possible by increased weight and power of locomotives.

### Heavier trains

FREIGHT trains of 20 cars have been replaced by an engine load of from 90 to 120 or more cars. Heavy duty engines now often weigh 300 tons. Strap rails, which were literally nailed to wooden stringers, got loose therefrom and punctured car floors and unlucky passengers, have been replaced by steel rails weighing 100 to 130 pounds per yard, anchored to creosoted cross-ties.

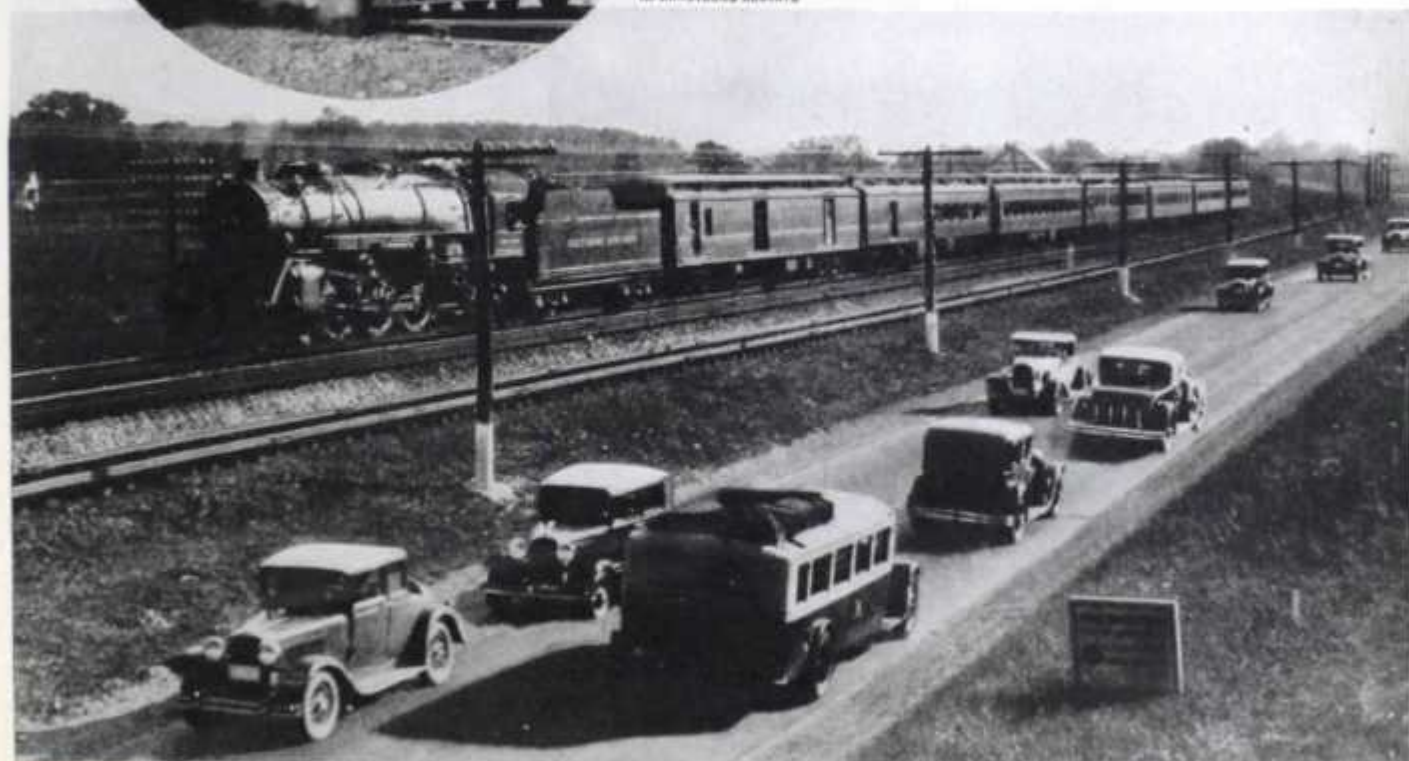
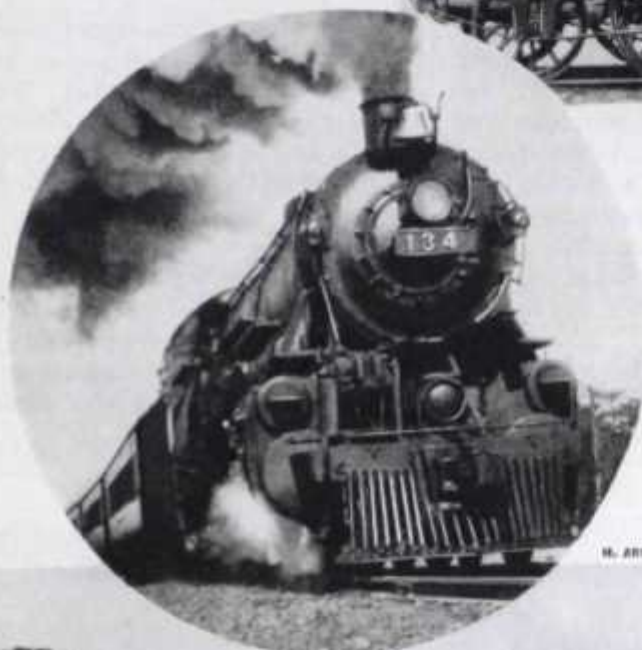
When James J. Hill left the steamboat business in St. Paul and turned his attention to the speedier method of



The first Baldwin locomotive, the five-ton "Old Ironsides"

Engines weighing 300 tons now pull 14 Pullman cars easily

H. ARMSTRONG ROBERTS



HURYDZAK

Automobiles, buses and trucks are taking the short-haul business from the railroads but the lines will find ways of meeting this competition. Already they are meeting it in many cases



transportation there were few railroads and relatively fewer people in Minnesota. Jim Hill reversed the established process.

"We can't put the cart before the horse," he said, "but we can lay rails ahead of the westbound settler."

So, as his Great Northern Railroad crept slowly toward the Pacific Coast he threw out feeder lines in each fertile valley until his system, especially through Minnesota and North Dakota, looks like a fish's spine with the lateral bones gone from the south or downward side where the Northern Pacific paralleled his system but sticking out from the upper or northern side. Each of these bones represents a branch built in advance of settlement. It took the risks and discomforts away from hardy settlers. Jim Hill made a fortune in railroading but it wasn't a fraction of one per cent of the wealth he created for the world.

Other westbound railroad systems did something similar farther south. Railroad transportation awaited the farmer before he began to plow. Agriculture could not have been developed half so rapidly had the pioneers depended on waterways, wagons or pack mules to get their surplus to market.

In my opinion, commerce on inland waterways will never be economically important because, except on southern waters, it must be seasonable. Northern

canals and rivers freeze in winter. And, at best, even large barges on our largest rivers will be too slow for most business men. You can't turn the wheels of progress backward.

### Elimination of grade crossings

MOTOR traffic is something else. In spite of enormously expensive precautions, safety devices innumerable and "Cross Crossings Cautiously" campaigns, some of our 20 million motorists will continue to ignore or take chances with railroad trains. The millennium will be ushered in with the complete abandonment of grade crossings. This feat of engineering will be so expensive that national, state and municipal governments must share it with the railroads. By that time city streets will be two- and three-deckers and electric street cars will run underground.

More speed explains the motor truck. With billions of tax money built into concrete highways and more than three million trucks on them, to say nothing of more than a million buses, short hauls on railways are becoming *passés*, particularly if the short hauls are for passengers. The railways will meet this situation in some manner, are meeting it in many cases.

Not long ago out in Oregon a railroad official, in opening a bus line to be operated in conjunction with his railroad,

remarked that 61 other of this country's railroads had already given him an example. But buses can never replace railways. Short rail lines will become bus line feeders. Trucks will be used for pick-up and distribution jobs and for short hauls in congested territories, but the great bulk of long distance transportation for human beings and their merchandise will be by train. This is a restless, rapid age. That's why air travel appeals to us.

I took a trip to Chicago recently. I was interested in railroads and locomotives. But a Chicago booster made it his business to tell me that ten air lines radiate from that city and that the lines total nearly half a million monthly mileage.

### Air competition not serious

"YOU'LL soon be flying from Philadelphia to San Francisco on regular passenger schedule," he promised. "Your own Pennsylvania Railroad is doubling up with airplanes and selling a combination rail and air ticket from the Atlantic to the Pacific, via the Santa Fé and connecting air lines."

"All right," I answered. "I'm not worried. Locomotives will haul our heavy loads long distances indefinitely."

Now even I can see the advantage to someone in a raging hurry of soaring

(Continued on page 168)



Early railroads fought Indians, bad men and bad legislatures but they laid the rails which made possible our western migration. Without railroads we would be where we were in 1842





Some day life insurance  
will be our greatest single  
financial business

# What Life Insurance Can Do

By SOLOMON S. HUEBNER

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DECORATIONS BY D'ARCY

**B**USINESS, during the next ten years, will give more attention to the economics of life insurance than at any time in the past, and life insurance is going to give vastly more attention to the needs of business.

The investment and estate-creating advantages of life insurance are due for still greater emphasis as a result of the recent Wall Street excitement, as are also its protective features; and in both fields there will be an increasingly intelligent and scientific interpretation of its values, purposes, and uses.

More business life insurance will be sold than ever before, until, in time, the business that neglects this form of protection will be as rare as the business that is now without fire insurance upon

- **EVERY** business insures its buildings, machinery and physical properties but the worth of these properties often depends largely on the quality of management. Yet the human life values of business have been sadly ignored. However, says this writer, we are nearing a new day when life values will be as carefully underwritten as materials

its stock and buildings. In fact, the day is not far distant when the amount of life insurance taken for strictly business purposes will equal, if not exceed, the total fire and marine insurance combined.

The creative aspects of life insurance, as factors favorably affecting consumption and production alike, will be

emphasized far more than they have been, while there will be less emphasis of its purely sentimental aspects.

## Life value appraisals

NOT only will life underwriting tend to become more and more professionalized, with a well-trained personnel, but a new calling undoubtedly will evolve from it—that of the life value

appraiser—through which human life values in business will be determined just as definitely as property values are and capitalized according to those principles now applied to property alone.

Important as life insurance is today, its real progress is yet to come. The present total, huge as it seems, represents the capitalized worth of only





**Human assets worth more than materials have been overlooked**

about two years' earning capacity of the nation's adults. When the economic significance of life value in family and business relations, and the need for its scientific treatment through insurance are generally recognized, life insurance will become our greatest single financial business—a fact that the next ten years should do much toward establishing in the business mind.

We have been living essentially in an age of property philosophy. Machines, goods, buildings, land—the material things that man owns and not man himself—have been made the main foundation of the business financial structure and the chief basis of values. The human life assets of business, though they aggregate in money worth many times its material assets, have been sadly ignored.

Practically all business buildings are insured against damage and loss by fire; sinking funds are provided to take care of their depreciation and replacement, while methods have been devised by which they may be appraised for purposes of capitalization and credit. Yet only a small percentage of the existing life values in business, which in the final analysis represent its real earning power and profit possibilities, has been given tangibility by way of capitalization.

### Insuring brains

THERE is no real reason why a machine, a factory, or a power house should be capitalized and the brains which make it of practical use ignored. The brain value in business is the energy-

producing force—the power plant of the entire enterprise. The two, material property and human ability, must be joined to produce earnings, so strategic lives are as vital to a business as any other factor.

Brains are subject to depreciation just as is property; and the day will come when impairment or death will make necessary their replacement. That is accompanied, in a majority of cases, by a tangible and even predictable loss to property itself, much greater on the average than any chance loss resulting from fire or other insurable damage.

In short, whereas the great majority of buildings never burn and the bulk of insured goods are never damaged, about one out of every three men die in the working period of life with a consequent loss to their business—a loss that is not limited to that of the individual's services, which is total, but one that may extend to such purely material items as capital, credit, future orders, and solvency itself.

A rapidly growing effort to educate business to understand that protection of strategic lives is also a direct form of protection for property, stands out as a major note in the present-day trend of life insurance.

We are emerging from what might be called the elementary stage of life insurance salesmanship.

Initially, in the primary stage, life insurance protection was construed simply as a means of providing for family dependents at death. In other words the insured had to die before anyone could benefit from his insurance, or at least

that was the popular conception, still widely prevalent. The specters of hungry widows and orphans stalked through the average insurance agent's appeal.

### Collecting one's own insurance

THEN endowment forms of insurance came in for emphasis. By these the insured, if he lived long enough, could collect his own insurance either in one payment or in the form of income in old age. On the heels of this came more stress on the investment advantages of insurance, but mostly investment in a purely rudimentary sense as it deals with the saving of money at a fair interest return, plus the death protection feature.

These several forms of sales appeal, still good, are all based on sound fundamentals and they will continue in the future to write billions in life insurance. But they have failed to give the public a grasp of the real scope of life insurance and its application to the complex daily affairs of individuals and corporations. That is, they have not put over the idea that life insurance bears not only the risks of death but the risks of life—that life in itself is an asset which can be capitalized!

Coincidentally, life insurance underwriting was somewhat handicapped by a lack of knowledge in its own ranks, a condition for which it could not be blamed wholly. For years it necessarily had to be concerned more about getting honest salesmen than expert ones. Besides, it takes time to formulate a science. Only recently has life insurance

been in a position to turn from what was mainly scientific formulation to a practical application of tested principles on a wide scale. Only in the course of time could it have available a sufficient number of experts, versed in insurance and business principles alike, to carry scientific life valuation into the business field.

What is this science of life valuation?

The key to it lies in a comprehension of the fact that a life insurance policy is actually a callable sinking-fund bond issued against a human life value in much the same sense that a corporation issues bonds against its property assets. In each case the bond is an evidence of monetary worth. The only real

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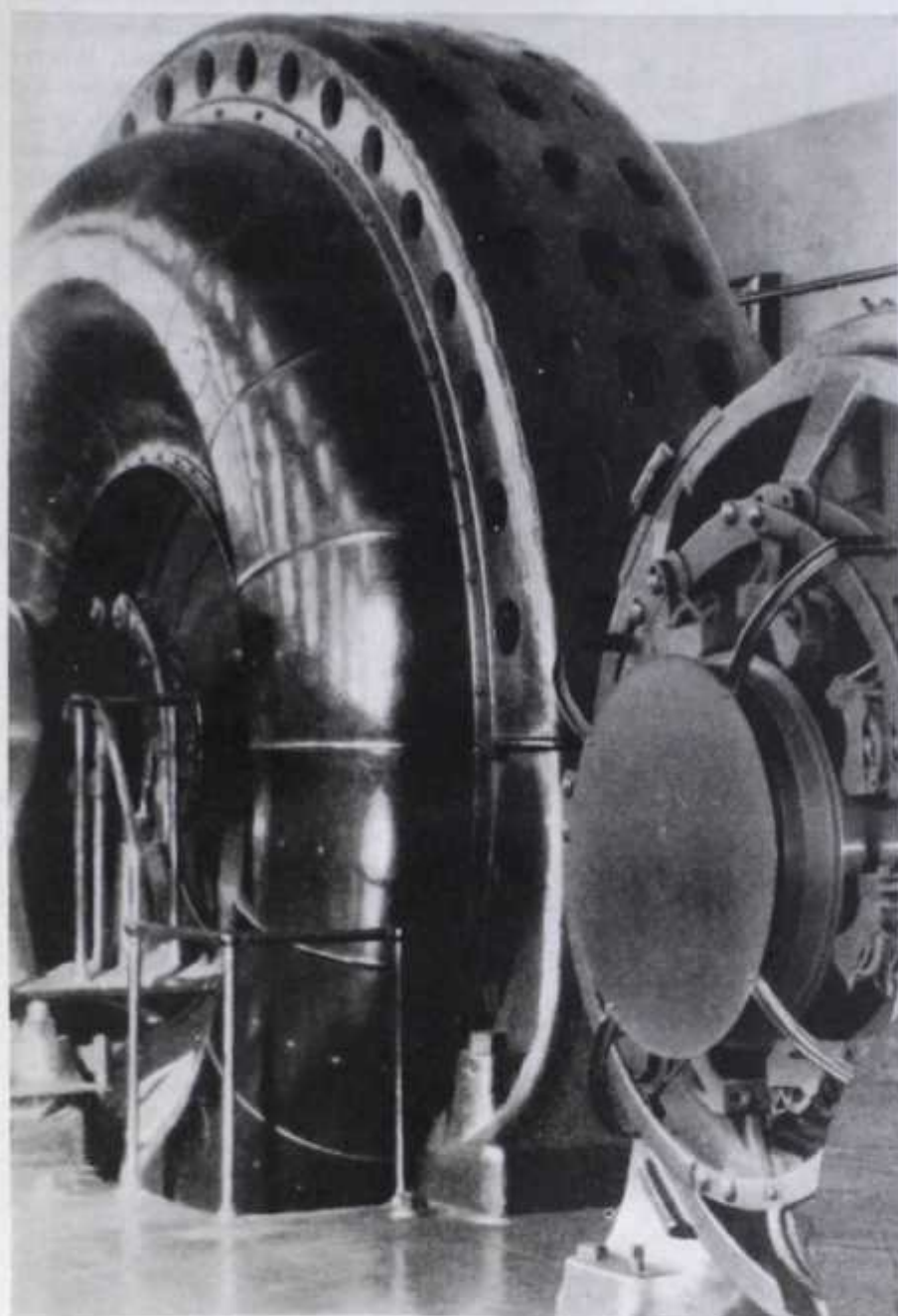
**Life insurance for business purposes will probably soon be equal in volume to marine and fire insurance combined**



# Electricity Frees 20 Million Slaves

By MATTHEW S. SLOAN

President, the New York Edison Company



If the 70 million horsepower of electricity toiling for the American people should stop work the blow would stagger the world

**I**F THE 70 million horsepower of electric energy toiling night and day for the American people should suddenly stop work, not only our civilization but the whole world would stagger under the blow. Our crops could not be cultivated, or harvested, or moved; mills and factories

would shut down, coal could not be mined, transportation and communication would cease, hospitals would be crippled; the millions of people in the skyscrapers and hotels would go idle and hungry. Neither plague, nor war, nor famine could wreak

IN SOME quarters the growth of power companies causes alarm. In that growth Mr. Sloan has played an important part. Today he is the largest distributor of electricity in the world. Let him tell you the goal toward which power is striving

such destruction upon our people.

Happily there is no danger of such a stoppage. I suggest it only to illustrate how vital is the power of electricity in keeping us alive and ministering to our welfare. Yet it has made its way into our service so gradually that we can hardly grasp its significance unless we try to think of what would happen if it should quit work.

It plays a leading part in feeding, clothing, warming and carrying humanity, to say nothing of speeding messages and providing entertainment. Seventy-



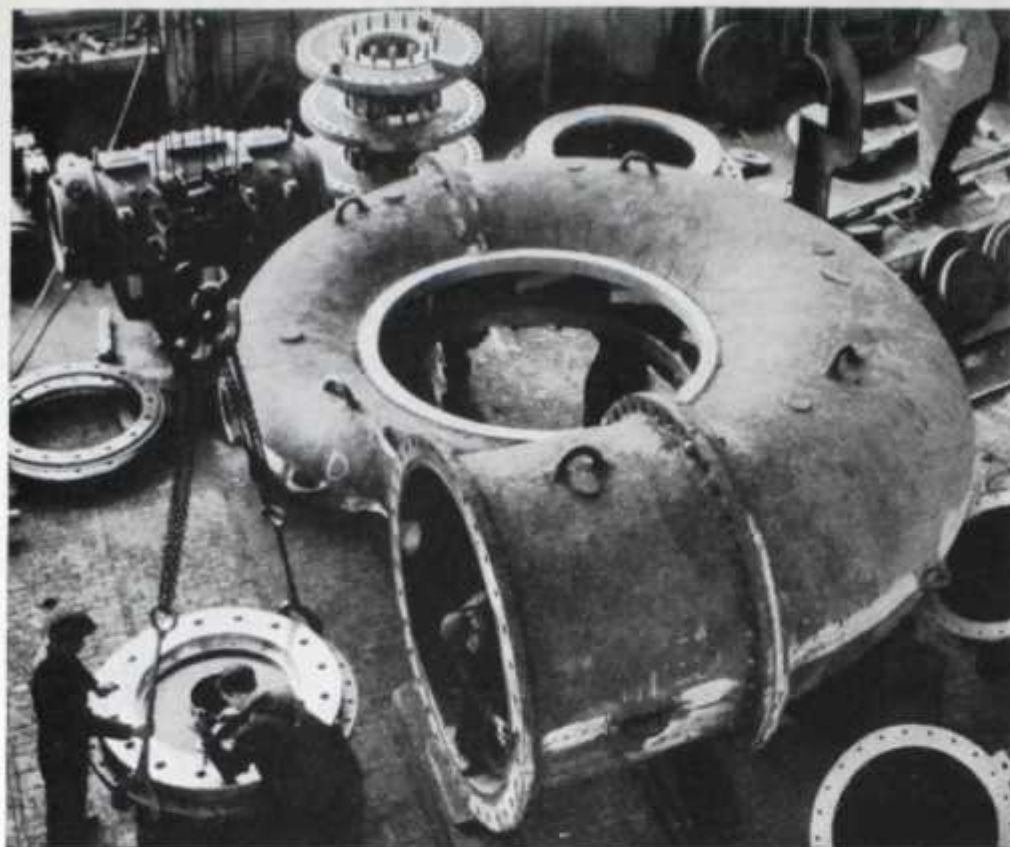
The electric welder replaces the riveter on this big oil tank job



five per cent of the power used in American industry is electrical energy.

In developing that civilization, electricity has played a large part. It is a

the coal miner is but one of many kinds of workers from whose backs electricity has lifted the burden of crushing toil.



This huge casting is a part of a giant turbine which, when assembled, will turn water power into electricity to lighten workers' burdens

EWING GALLOWAY, N. Y.

The average factory worker directs and uses four and a half horsepower of this force. This gives him a producing power equal to that of 45 men working by hand.

The American workman running his electric lathe is as far ahead of his hand-working competitor as the modern ship-builder riveting together the steel hull of a steamship is superior to the savage who slowly burns out the heart of a tree and hews away the charred embers to fashion a clumsy canoe.

When Aladdin rubbed his magic lamp, the slaves of the lamp flew to obey his most extravagant commands—providing vast estates, building palaces, bringing him jewels and luxuries. It seemed like a wild dream. But when our generators of electric current rub their magic lamp, they enslave a flood of energy that lights and heats and feeds and enriches the nation, and so magnifies the creative power of man that he enjoys resources Aladdin never dreamed of.

The best civilization is that which supplies most generously the needs of man. Measured by that standard, our American civilization today, whatever its faults may be, is the best that the world has ever seen.

vital element in the expansion of business and prosperity out of which have come better social conditions, a health and comfort not equaled in any other country or any other age.

### More work with less toil

THE substitution of electric current for human muscle has already released millions of American citizens from manual labor that amounted to slavery. Electricity actually performs labor for workers in the mine, the mill, the factory, the construction enterprise. Let us look at one instance.

The coal miner need no longer exhaust himself wielding drill, or pick, or shovel. Instead he starts and guides an electric drilling machine that does the actual work. One skilled miner with one electric drill today can get out as much coal as 50 miners could drill out by hand.

And—much more important to the welfare of the nation—when that man comes up out of the mine at the end of the day he is not exhausted as the old-time miner was. He has abundant energy to enjoy life, to read or study or sing or go to some place of amusement. And

The betterment of living conditions which has already resulted from the use of electric power has gone far to wipe out poverty and it will go much farther. Poverty was once accepted as a necessary evil. Even as late as the nineteenth century it was commonly believed that a law of nature provided the poor to do the most servile, the most sordid and ignoble tasks in the community. Poverty was considered an inevitable element of human society. Electricity has now become the great liberator of toiling mankind.

It is easy to account for American industrial supremacy and high standard of living when we learn that this nation now uses about one-half of all the electrical energy consumed in the world. Because of this vastly multiplied power of production, our population of 120 millions has a purchasing power greater than that of Europe's 500 millions, and far greater than that of 1,000 million Asiatics.

### Higher standards

OUR administrators of electric energy need not only to do a good job from a business standpoint but to remember their responsibility in promoting the general welfare. Social conditions are measured chiefly by two phases of life. First, the specific living standards of the citizen. Second, by the general industrial situation that accounts for those standards.

Nowhere else and at no other time in history has there been such a standard of living as this country has attained. More than 82 million people live in homes equipped with electricity for light and labor-saving devices.

Electric service has nearly banished the broom and the dust pan, the washboard and the foot-driven sewing machine. The home maker need no longer be a household drudge. She has leisure for outside interests.

The "electric slave" multiplies her efficiency—and entertains her with music drawn from the air.

Under the policy of paying wages according to output, American workmen are the highest paid in the world. The average workman can buy all the neces-



sities and many of the luxuries of life. He and his family, well-housed, well-fed and well-clothed, own a good radio and drive a good car. His yearly income is four times that of his father. He is one of the 53 million bank depositors in the country, and his bank account is five times greater than the average bank account of 35 years ago. He is one of the 63 million insurance policyholders who have in effect 12 times the amount in policies that was in force in 1900.

### We have more spare time

TIME is a thing that money cannot buy, but electric power has given generously of time to every workingman in America. Twelve years ago the average working week was 60 hours. Today it is 44 hours, and, with the five-day week already in force in factories, we may expect soon to see the 40 hour week. Our 30 million wage earners work about two-thirds as long every day as they did only 12 years ago, earn a great deal more, and live in far greater comfort and with far more luxuries. At the same time the average family income has been raised from \$800 a year to \$2,200.

Also the conditions under which work is done have been made safe and healthful through adequate illumination, safety devices, proper ventilation and temperature that is constantly kept normal. All of these promoters of health are automatically controlled by electrical apparatus.

Food and clothing habits have changed with the better times and scientists agree that the change to lighter clothing and the eating of greater proportions of fruit and vegetables have brought better health. The application of electric power to heavy jobs that required great physical exertion has contributed much to these changes by conserving the body heat and stamina.

The shortening of working hours has permitted millions of Americans to enjoy comforts and entertainment that only the wealthy could procure a while ago. This change has come about so gradually that no one notices it unless he looks back a long way. A manufacturer of dies and tools was telling me the other day of an expert mechanic who came from Pennsylvania some years ago to work in his factory in Illinois.

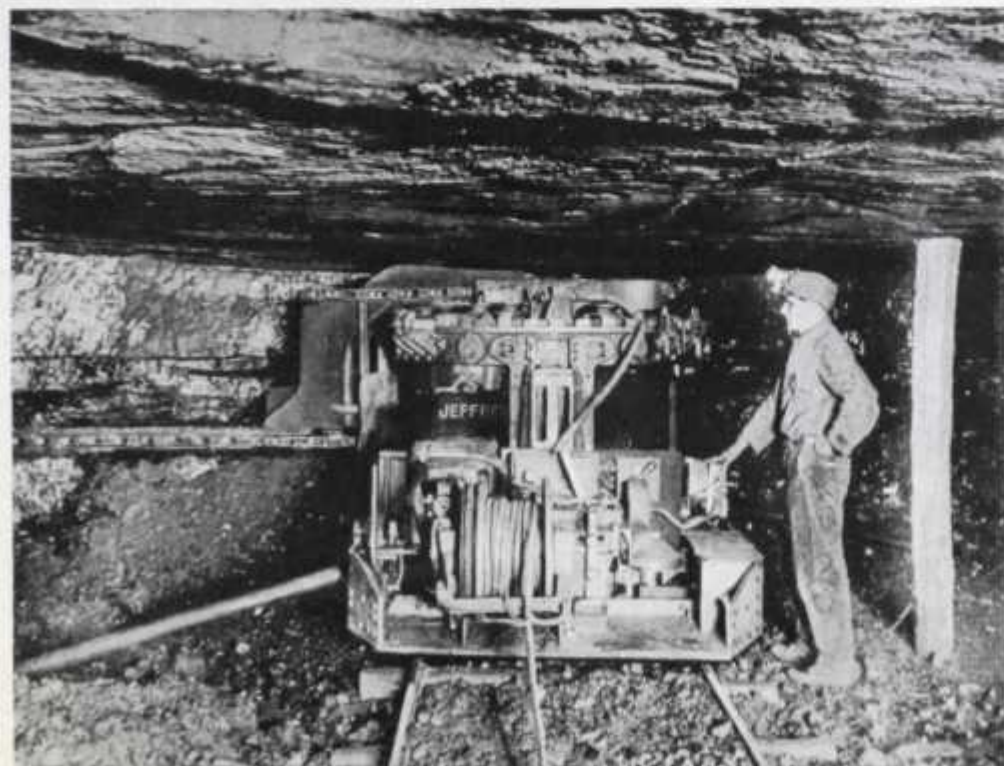
"How do you like our little town?" the boss inquired.

"Well," said the mechanic, "what little I've seen of it I like pretty

**The home maker is no longer a drudge. Power has lightened her labor and given her leisure**



EWING GALLORAY, N. Y.



EWING GALLORAY, N. Y.

With this machine, shown here, cutting a vein of rock between two veins of coal, one miner can produce more coal in a day than 50 could by hand

well. But I get to the factory at daylight and don't leave till dark, and Sundays I'm so tired I stay in bed most of the day; so I haven't really seen much of the town."

That kind of work program has disappeared from American factories except in emergencies. The shorter hours not only bring a man back to his job fresh and vigorous every morning, thus enabling him to turn out more and better products and earn better wages, but his added leisure and money have caused the development of recreational and entertainment enterprises, which in turn have employed many thousands of

workers. The old distrust of shorter hours is gradually dying away in the face of experience, which shows that, rightly used, the shorter day means better work.

Our civilization has marched a long way since Boston carpenters were trying to have their working days reduced from 14 hours to 12. Many leading citizens opposed the change on the ground that if the carpenters had two hours of leisure every day they would soon ruin themselves with drink, gambling and other dissipation.

### Well used leisure

AS a matter of fact, the average citizen makes good use of his leisure. The higher  
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As we increase the vertical mobility of labor we expand our industries and they can pay higher wages

**T**O most Americans, immigration now means the coming of large numbers of wage workers. A half century ago it meant the coming of large numbers of potential farmers. It has never meant the coming of large numbers of capitalists, business managers, engineers, or, in general, employers of labor.

Yet, in some countries, immigration means precisely that. In those countries the net result of immigration is to swell the ranks of employers and make things easier for wage workers.

There is, for example, immigration into Mexico and Cuba from the United States. These immigrants are enterprisers, technologists, and employers of manual labor. They give employment to more laborers at higher wages in those countries.

Before the World War there was immigration into Russia and the Balkan States from Germany. Those immigrants were also of the employing class. Like the American immigrants into Mexico and Cuba, they gave more employment at higher wages to the laboring classes.

### Exports of goods and men

THE laws governing the international migrations of men are much the same as laws governing international movements of goods. A country exports that of which it has a relative surplus and imports that of which it has a relative scarcity. If the surplus consists of goods, it exports the kinds of goods of which it has a relative surplus as compared with other countries. If the surplus consists of men, the same rule holds.

# Where Peril

By T. N. Carver

Professor of Political Economy, Harvard University

ILLUSTRATIONS BY LEWIS C. DANIEL

No country, of course, ever has an absolute surplus of men of high training and capacity. It may, however, have a relative surplus or a less scarcity of such men than its neighbors. In that case the greater scarcity of such men in the neighboring countries will attract them. The balance of trade produces a movement of men of this kind from the country of less scarcity to the country of greater scarcity.

### Our emigrants and immigrants

IN THIS country, free schools and our free democratic spirit have tended to produce large numbers of men with high training and a spirit of enterprise. This has given us a relative surplus of such men as compared with our neighbors on the south, where such men are not produced in numbers. Consequently there has been a southward movement of trained men. There has been no corresponding movement from those countries northward.

On the other hand, our schools and our encouragement of enterprise have tended to thin out our numbers of manual workers. Compared to other countries, this has created a scarcity of wage workers. Consequently there has been a movement of men of this kind hitherward. There has been no counterbalancing movement of our wage workers outward.

If our immigrants had belonged mainly to the employing classes, their coming would have changed the ratio between occupational classes, increasing the proportion of employers to laborers. Since they belonged mainly to the wage working classes, they changed the ratio in the opposite direction. In the first case, they would have increased the number of men competent to run industries or to hire wage workers. This would have increased the demand for wage workers.

In the actual case, the coming of vast numbers of wage workers increased the number of men needing jobs without correspondingly increasing the number capable of hiring them. This reduced wages and increased the percentage of profit and interest and raised the level of the higher salaries in all our industries.

Occupational balance is one of the most important factors in national prosperity. It is probably next in importance to our geographical resources, the quality of our racial stock, and our democratic insistence upon an open road by which the capable may advance to high positions. In fact, the chief advantage of this open road is that it tends to preserve an occupational balance.

Under any kind of a caste system, where men are born into certain occupations and classes from which they can never rise no matter how capable, certain occupations will become hopelessly congested. Such congestion cannot be relieved by interoccupational migration.

The character of our geographical resources is already



# Lurks in Immigration



**WE TALK** of the dangers of unrestricted immigration but, if pinned down, few of us could explain the danger or tell why it threatens. Here is a student's summary of the situation and some definite facts on the nature of the danger and a hint as to when we are likely to face it

determined. Our racial stock is pretty well determined, though it may probably be improved or degenerated. Our democratic insistence upon an open road for the advancement of the capable is entirely within popular control. No visible danger threatens that principle from the direction in which men used to look for danger, from autocratic or aristocratic interference.

Democracy has, however, a blind side in which danger may lurk. That blind side is demagoguery. It is possible that future interference with the open road may come in this country, as it has in Russia, from the proletariat. When the masses of the incapable, jealous of the success of the capable, begin to take things into their own hands and out of the hands of the capable, the open road for the capable will be closed.

## Avoiding upheaval

THIS danger may be averted by preventing the development of a true proletariat. Proletarian revolutions do not come except in backward countries. The more backward, the greater the danger. A backward country is one which has a vast preponderance of ignorant, unskilled, underpaid, hopeless workers with no prospect, short of a revolution, of improving their condition. When 51 per cent of our people find themselves in that condition, on that day will come a revolution.

For a long time, our free land prevented the development of such a condition in spite of our large immigration and our rather inefficient educational system. Although an un-

balanced industrial system expanded our agriculture beyond all reason, and threatened us with a series of agrarian revolutions, the ownership of land granted by the Government calmed the fury of the impoverished land owners and prevented any agrarian revolution from reaching the state of violence.

Since our free land was exhausted, our improved educational system helped to relieve what would have become



**The coming of vast numbers of wage workers increases the number of men needing jobs without increasing the number who can hire them**



## A Business View of Immigration

BUSINESS MEN, through the United States Chamber of Commerce, have taken the position that it is "inappropriate to extend the principle of the quota to Mexico" as Professor Carver suggests should be done.

Granting that a certain occupational balance is desirable, I miss in his article any discussion of the effect drastic curtailment of Mexican immigration is going to have on an agricultural industry in the West which ships about a half million carloads of fruits and vegetables yearly, thereby maintaining a whole chain of interrelated activities.

The fact is that the Mexican farm worker performs the great bulk of manual labor which sustains this industry. Nor is there any discussion of the new cotton acreage in the Southwest, which is harvested for the most part by Mexicans.

Now, of course, Professor Carver might answer—at least this answer is made by advocates of drastic curtailment of Western Hemisphere immigration—that, if the Mexicans already in the United States are efficiently distributed, they can do this work, and if they can't, plenty of unskilled native workers are available if the wage is made sufficiently attractive.

Growers and farmers in the Southwest contest this answer. They maintain that without the Mexican, who is adapted to that part of the country and to the arduous labor required, they could not continue their present operations, let alone expand them.

Professor Carver approaches the problem of immigration control mainly from the point of view of economic needs. He presents a formula designed to give mathematical definiteness to what he describes as the occupational balance. I feel that there is an inherent weakness in Professor Carver's argument.

That weakness, in my judgment, lies in the use of an arithmetical equation to explain a dynamic process, the creation of wealth, that is, the many interrelated and interdependent activities which, when they are going along in a way which makes possible the creation and widespread utilization of products and services, we call "prosperity," and when they are not going along in that way, we call "hard times." Two plus two consumers equal four consumers in the arithmetical sense, but in the market place, two plus two consumers may equal five, six or more consumers provided their purchasing power is increased and their desire to buy is stimulated.

In dealing with our neighbors in the Western Hemisphere—and Mexico and Canada are the only two which send us any large number of immigrants—a distinct step forward will be taken if we are able to work out a policy of immigration control based on our economic needs. This is a sound approach in any case, and has the added merit of placing any action we may take upon a ground which our neighbors can readily accept. In that event, a sensible restrictionist point of view would seem to be that if it is demonstrable that we need seasonal workers from these countries, then a means should be devised whereby they may be permitted to do this work.

F. STUART FITZPATRICK  
Manager, Civic Development Department  
United States Chamber of Commerce

acute congestion of our wage-working occupations. Wholesale immigration on the other hand was tending to congest these occupations and creating labor troubles which were premonitions of a proletarian revolution.

The exclusion of Chinese and Japanese labor relieved the situation slightly. The greatest piece of labor legislation, however, was the restriction of European immigration. This has done more for the American working man than all other labor legislation combined. Even with our present inadequate restrictions, the occupational balance is tending to restore itself. Incidentally this is also a good thing for business as well as labor.

### Unlimited immigration from America

A SERIOUS defect in our immigration law is the lack of restriction on the numbers who may come from the American continent. We have excluded immigration from all of Eastern Asia except the Philippines and have restricted immigration from Europe. While this has been a great help, it is producing one unfortunate result. It is increasing immigration from those countries on which there is no restriction.

Already there have been labor riots because of Philippine immigration. Similar troubles are likely to arise at any time because of Mexican immigration. A definite increase in the immigration of West Indian negroes is the next thing to look for.

As to Canadian immigration, that would be harmless were it not for one disturbing fact. So long as Canada allows free immigration from Europe, her wage scale will be lower than that of the United States. It will be enough higher than that of Europe to attract European immigrants.

When the European immigrants come to Canada and reduce her wage scale, there will be a motive for immigration from Canada to the United States. We may prevent the bootlegging of European immigrants into the United States by way of Canada. Canadian workers, however, finding their wages reduced by European immigrants, now want to come and will continue to want to come to this country to get our higher wages. Thus, indirectly, we shall continue to suffer from European immigration into Canada. There seems to be no way of stopping this except to restrict immigration from Canada.

Haiti is one of the most densely populated countries in the world. That is, if we take her fertile land and exclude her mountains, the ratio of population to fertile area is very high. There is also a low standard of living among her people. There is no reason why they should not flock to this country. At present, they are migrating in considerable numbers to Cuba and Cubans are beginning to come to this country. This is likely to present a serious problem soon.

The race problems which may grow out of West Indian, Mexican, and Philippine immigration are serious enough. Some would consider them more important than the economic problem. The economic problem alone is serious enough to justify immediate action. This problem may be summarized under the term "occupational congestion." Anything which destroys the occupational balance is certain to bring hardship to large classes of people.

A true occupational balance exists when the supply of workers in every occupation, relative to the demand for them, is such as to give, all things considered, approximate prosperity to all occupations. Relative occupational prosperity is, therefore, the barometric test of the occupational balance. This, of course, means that ample allowance must be

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# The Tangled Web of Farm Finance

By JOSEPH STAGG LAWRENCE

Author of "Wall Street and Washington"

CARTOONS BY LOUIS FANCHER

**T**O UNDERSTAND the part played by the federal land banks and the joint stock land banks it is necessary to set up certain statistical guide posts. The first relates to the capital invested in agriculture. This we shall define as the current market value of land and buildings, implements and machinery and livestock.

In 1910, this was 42 billions. In 1920 it was 79 billions and, in 1928, about 58 billions. The total mortgages on farms in 1910 was 3.3 billions. In 1920, it was 7.85 billions and in 1928, some 9.4 billions. There was no drop in indebtedness to accompany the drop in farm wealth. Expressing the relation between debt and capital value of farms in a different way, we may say that in 1910 every \$100 of farm investment bore a long-term liability of \$8, in 1920 of \$10 and in 1928 of \$16.

The effect is more concentrated than the figures indicate. Approximately 40 out of every 100 farmers have mortgages on their farms. Most of the 60 without permanent debt live in the New England, Middle Atlantic and Corn Belt states. Most of the 40 with mortgages live in the southern, far western and north central states. In these states interest charges on long-term indebtedness are from two to six per cent higher than in the others.

In the heavily mortgaged states, also, the farmer has suffered most from bad crops (usually he is a one-crop farmer—cotton or wheat), capricious markets and high local taxes.



Politics put many unqualified men into positions requiring banking training

IN THE first of this series of articles, Mr. Lawrence explained how the Government organized the Federal Land Banks to provide cheap credit for the farmer. This month he shows how that system found its usefulness handicapped by factors entirely outside the banking field—or at least outside the field of private banking

Our farm problem, therefore, is geographical rather than general.

When the Federal Farm Loan Act was passed, the farm tenant problem and the development of new farm land were in the legislators' minds as among the Act's principal desired ends. There is a traditional repugnance to widespread land tenantry in this country, and it was thought that abundant credit on easy terms might enable many worthy tenants to shake off the yoke of the landlord. It was also thought that much waste land awaited only the stimulating touch of capital to spring into profitable production.

## Just a new creditor

IN the light of these expectations, it is curious to note that only 10 per cent of the loans made by the federal land banks and the joint stock land banks were used by tenants for an emancipatory purpose or by farmers to purchase new land, while 85 per cent of the loans made by the joint stock land banks and 77 per cent of the loans by the federal land banks were used to pay off other mortgages and refund other debts.

As a result we may say that Uncle Sam appears on the scene merely as a new creditor. Actually he has accomplished little in redeeming the tenant from his vassalage, increasing the total land under cultivation, or in enabling the farmer to make improvements which he otherwise could not have made. However, he has been a sympathetic credit administrator and the reduced charges and easier terms of pay-





Armies in the field are notoriously extravagant in consumption of food

cent, insurance companies held 20 per cent and state banks and national banks together had the remaining 26 per cent.

It should be made clear that the farm land bank system did not deprive the old mortgage holder of an opportunity to invest his capital. Every time a farmer paid off his mortgage to the former owner, let us say, with the proceeds of a loan from a federal land bank, the bank had to sell bonds equal to the debt which was being transferred. These bonds the former mortgage holder could purchase, and his capital ultimately found its way back to the very place from which it had just been released.

### More convenient credit

A BENEFICIAL change in the relationship of debtor and creditor has occurred. The former creditor instead of having a lien on a particular farm now has a fractional claim against thousands of mortgages which a disinterested bank officer is holding as security against his bonds. As a margin of safety, he has the capital and reserves of the bank as well as the double liability of the stockholders. The farmer, on the other hand, now has an impersonal creditor, a lower rate of interest, a maturity date suited to his convenience and gradual repayment adjusted to his prospective capacity to meet the debt.

This is the silver lining in the cloud. The experiment had its seamy side. The federal land banks and the joint stock land banks were organized at a time when the world was in the throes of its greatest struggle. Armies in the field are notoriously extravagant with food and clothing. In every corner of the globe the farmer was begged to increase production. When the United States entered the war, patriotism was added to profit to spur the American farmer to greater efforts. The officials of the new banks joined the general tide.

Ordinary banking standards were relaxed partly because the farm elements thought they were too severe in the first place and partly on patriotic grounds. Whereas \$50 to \$60 had been considered a safe outside lending limit on an acre of land in the most prosperous farm regions, the limit was soon raised to \$100, and in some cases to \$125 an acre.

The joint stock land banks and the federal land banks serving the

same areas were soon in active competition with one another. The nature of the overhead in the banking business made volume important. The new competition compelled insurance companies and the banks to relax their own standards.

Rising farm land values encouraged speculation and with eager land banks ready to provide the substance the speculator was due for palmy days. There would have been speculation without the land banks, but their organization at this time and precipitate rush for business added an unwholesome stimulus.

It was under such conditions that the federal land banks and the joint stock land banks added other holdings based on inflated war-time land values. Yet it was beyond human wisdom to discern the errors of judgment then taking place.

State and national banks operating under the incentive of private profit as well as insurance companies made the same errors and are today paying the penalties. Even the great banks of Canada with their highly extolled management were swept along by the same forces and as a result the portfolios of their western branches have large amounts of frozen paper. In appraising the present difficulties of the land banks it is necessary to give fair weight to war-time conditions.

### Politics handicap the work

IN THE elaborate machinery devised to serve the banking needs of the farmer, it was inevitable that another defect should soon develop. It has been said that government regulation is essentially political regulation. No matter how high-minded the intention of certain individual members of a regulatory body may be, the corrosive influence of politics eventually makes itself felt. The Farm Loan Board, into whose hands the administration and supervision of the system of agricultural banks was placed, has not been free of this influence. It has made itself felt in two ways, both of which seriously impaired the effectiveness and integrity of the system. The first relates to the personnel and the second to the administration of the system.

The Board members are appointed for eight years and receive salaries

ment have undoubtedly helped those farmers in a position to profit by them.

The appearance of the State in the business of farm finance has brought about a redistribution in the farm debt. Just before the war, 60 per cent of the long-term obligations of farmers were held by other farmers or private investors but the farm land bank system changed this picture. At the end of 1928 private creditors held only 34.5 per cent of the farmers' total permanent obligations, the federal land banks and the joint stock land banks together held 19.5 per





of \$10,000 a year. They are appointed by the President with the "advice and consent" of the Senate. The subordinate executive officers and other employees are appointed by the Board and do not come under civil service classification. Some Board members have been able men with a fine sense of public duty. This has been notably true of the chairmen. Of some of the others, the less said, the better. The subordinate positions were game for every politician in Washington.

### The problem of firing

THE incompetence of some of these executives necessarily came to the attention of the Treasury and we find one of its high officials in conference with the Farm Loan Commissioner. The conversation is somewhat as follows:

High Treasury Official: Your man, Lorate, is a jewel. He is a genius of incompetence. Commissioner: That is no news to me. He has been useless baggage since the day he came into our offices.

H. T. O.: Why don't you fire him?

Commissioner: Sure, I'll fire him on one condition.

H. T. O.: Well?

Commissioner: The man is the favorite cousin of Senator Blusterbus (a powerful politician close to the White House). Life has already allotted me a fair share of trouble. I do not care to add the puissant Blusterbus to my list of enemies. However, I shall be glad to cast this deadwood out of my department if I may say that Lorate's resignation was asked at the request of the Treasury.

H. T. O.: Humph!

Lorate held his job for the time being, but was later "promoted" to another position where his talents could be exercised with less inconvenience to the Board.

On another occasion the Board found it necessary to appoint a new chief appraiser for one of the western districts. The Board earnestly scanned the list of available men with a view to selecting the most competent. One of the Board members, considering this a shameful waste of an opportunity to reward the faithful, advised the two senators representing this district.

Without invitation from the Board, the senators pressed a candidate upon its attention. He was a gentleman of ample proportions and a "forceful personality." He had been the campaign manager of one of

the senators. Beyond that, the Board failed to see in this man the qualifications necessary for the position. As the price of devotion to duty, the Board won the enmity of the senators whose wishes had been ignored.

It was equally difficult for the executives of the banks to exercise that fine discretion necessary in sound banking and to exclude influences with which the ordinary banker need not contend.

Let us take as an illustration the Federal Land Bank of—let's call it Marona. The president of this bank had received his training in a private financial house and felt that the administration of a great federal land bank required the same careful scrutiny of loans, the same meticulous appraisal of borrowers as did any bank conducted on a business basis. He felt that a bank officer was not faithful to his responsibilities if he did not exercise constant vigilance to reduce risks and establish the reasonable certainty of repayment of loans. Let us call this man Miller. His experience casts such a revealing light upon the greatest weakness of this system of land banks that we may be justified in pausing a moment to render account.

### A poor banking risk

THERE was an arid region in this banking district known as the Sotar Plateau. The soil was excellent but lacked moisture. A system of wells was driven to tap water far below the earth. This water, distributed by irrigation ditches, converted the sterile plateau into one of the most fruitful farming sections in the state. A number of farm loan associations were organized in the district and applications for loans came into the bank in a swelling stream.

The president was not certain about the future of this district and sent a group of engineers to investigate. They reported that the level of the water being tapped for irrigation was declining and that it was but a question of time before it would be impracticable to continue the present method of supplying water. Miller foresaw the time when that land could no longer be cultivated and the bank would become the proprietor of abandoned farms. He refused to grant any more loans.

The farmers could see in that refusal only the malice of a perverse nature. Their lamentations



Land banks were formed when the world was in its greatest struggle

were loud and furious. The local farm bureau federation took up the cry and the congressional representatives of the district entered the lists on behalf of their outraged constituents. So vehement was the indignation that the Farm Loan Commissioner called on Miller and accompanied him to the plateau. The considerations which influence ordinary banking judgment were placed before him. After a thorough study he placed his unequivocal endorsement upon Miller's conduct.

That did not settle the matter. The





farmers and their representatives were out for blood. Two directors of Miller's bank were willing to serve as the instruments of retribution. One had been denied promotion only because he knew nothing about banking and the other had been mortified because some friends had been unable to obtain loans merely because they did not have the security required by the law. Through their aid the full depravity of Miller was soon discovered.

### Framing their enemy

IT IS the custom of banks to pay the traveling expenses of their officers when those officers are off on the business of the bank. The officers receive a cash allowance before starting. Returning, they submit a statement of their expenses and an adjustment is made. Miller did not submit his accounts as promptly as he might have and the bank's books showed him the recipient at times of small sums for which no explanatory vouchers could be discovered. On one of the trips for which the bank paid, Miller had visited a friend. He had made several necessary business calls on the way. Clearly the man was arranging his business to suit his pleasure and making the bank pay the bills.

He was charged with embezzling the

## How the Farmers Were Helped

TO PROVIDE easy credit for the farmer the Government set up three systems of banks:

- 1 The 12 Federal Land Banks. The Government originally provided most of the capital. To borrow, farmers must join farm loan associations. The farmers borrow from the association which in turn borrows from the Federal Land Bank. Bank funds are provided by sale of tax exempted securities to the public.
- 2 The Joint Stock Land Banks. Private capital, not the Government, controls these banks. They lend directly to farmers on the security of first mortgages. They also sell tax-exempt securities to the public.
- 3 The 12 Intermediate Credit Banks. The Government subscribed their entire capital. They have the same executive officers and occupy the same buildings as the Federal Land Banks. They were designed to meet farmers' credit needs for periods more than nine months but less than five years.

bank's funds. Other charges with equally substantial foundation were made against him. Miller was brought to trial and completely exonerated.

This is not an isolated experience, but one of many, all pointing the same moral—that the path of the business executive in a system of government

banks is thickly strewn with thorns.

Consider the experience of the Spokane Bank in the great Triangle Territory of Montana. This land was dry and, before the war, was used only for grazing. When the war broke out a small portion of it was being homesteaded and some cropping had been attempted. The capricious fates which determine rainfall just then sent to those parched lands year after year such rains as they had never before known.

### Boom lands and bad loans

UNDER the stimulus of war demand and this fortuitous rainfall the region became an agricultural Klondike. From a value of a dollar an acre and less, the land mounted rapidly until, toward the end of the war, it was changing hands at \$40 an acre. The president of the Spokane bank had misgivings about loans made upon this land and established a lending limit of \$10 an acre. In spite of this the bank was flooded with applications from this territory.

With his suspicions aroused the president made a personal investigation. He had been on the scene but a short time when the bank received his wire to hold loans. A little later another wire advised the return of all applications. The bank paid the expenses incurred by the applicants and refused the loans. The region rose in wrath. Once again, the Board was compelled to review the conduct of a president of a federal land bank.

It sent its chief mortgage loan examiner into the Triangle Territory to

(Continued on page 142)



These bonds the former mortgage holder could purchase and his capital ultimately found its way back to the place from which it had just been released



# Television Is Ready for Business

By ART BROWN

Associate Editor, Nation's Business

**T**HE TIME has come when you can see as well as hear the person with whom you are talking on the phone, and he can see as well as hear you. In other words, two-way television has arrived. It was demonstrated by the American Telephone and Telegraph Company in New York a few days ago.

Whether business readily accepts this new gift of the research laboratory for everyday use, as it has accepted radio, depends entirely on how badly business wants it. If business wants two-way television for commercial use, it can have it, say the men who have made television what it is. The only economic limitation at the present time is the cost. The cost is high.

An experimental system between the American Telephone and Telegraph Company's headquarters building at 195 Broadway and the Bell Laboratories, two miles away, has been set up. Special television booths have been installed in the two buildings.

## Face to face over the phone

I WAS invited to talk over the ikonophone—that is what it is officially called—and to see, as though face to face, the man at the other end of the line. I accepted the invitation.

You enter a sound-proof booth. The door is thick and close-fitting, like the door of a big refrigerator. The booth is lighted with a dim orange light. You are virtually in a photographic dark room, but it is not quite so dark. There is a comfortable armchair there for you to sit in.

You are about to telephone but there is no telephone in sight. A special transmitter and receiver are concealed in the booth, and the booth is acoustically treated so the incoming sounds won't be transmitted out again through the transmitter and set up noise within the phone. An ordinary phone is not used because it would hide part of your face from the person who is about to see you talking.

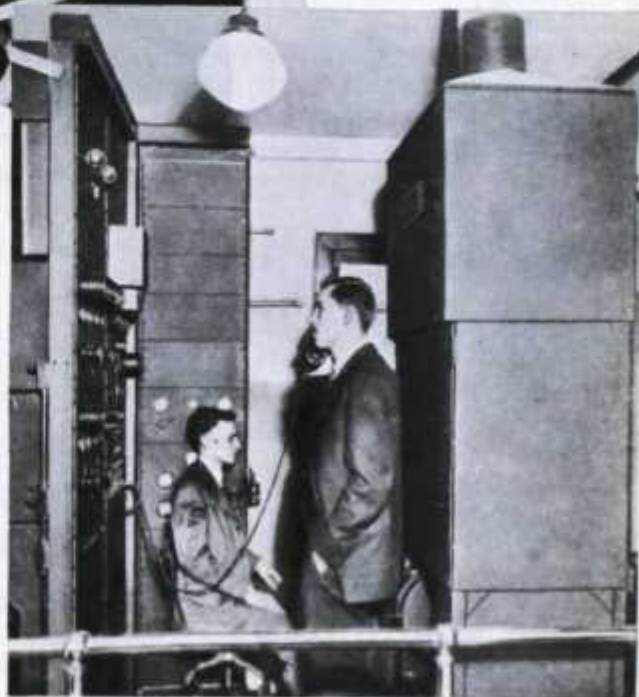
You sit in the chair. There is a flickering spot of mild blue light in front of you and below it a small inclined plate of glass back of which is a sign which reads:

"Ikonophone—Watch this space for television image."



This new two-way-television telephone has been christened the "ikonophone"

These men are control experts. They keep the sound and image synchronized



You watch and very shortly the sign is lifted and you see a sharp, clear-cut moving picture.

"Good morning, Mr. Brown," the moving picture said to me. "I read NATION'S BUSINESS regularly and enjoy it. I have seen it in club cars on trains and in reading rooms on board ships as I've been traveling around. It's a fine magazine."

The man who was talking was H. M. Stoller, who developed the mechanisms which turn discs and do other things inside the television apparatus. Mr. Stoller is an outstanding



inventor and research worker, but he alone is not responsible for this new scientific marvel; no one man is. The work was directed by Dr. Herbert E. Ives. The finished product is the result of today's method of accomplishing things through series of highly coordinated laboratory researches.

"Good morning, Mr. Stoller," I said to him. "I am glad you like NATION'S BUSINESS. I am thrilled with your ikonophone."

He beamed. "We are thrilled with it ourselves," he admitted. "We are still experimenting, still perfecting what we have here, but when business is ready for this new tool, we shall be ready. Of course, we are making no prophecies as to what extent it will be used in business."

"It certainly seems to work," I said.

"I'll be able to recognize you," said Mr. Stoller, "if ever I see your picture in NATION'S BUSINESS." Then I realized that he was seeing me just as I was seeing him. I had forgotten this in the excitement of talking to a moving picture and having it talk back to me.

### Complicated apparatus

AFTER I had finished "televising" I was escorted through a door, taken around back of the booth, and shown the equipment and apparatus which makes two-way television possible. A man explained it to me, but to a person who doesn't understand much about such things the apparatus seems endlessly complicated.

There is an arc light, a water-cooled neon lamp, two perforated moving discs, motors, vacuum tubes, lots of wire and other paraphernalia. Five pairs of wires are required, two incoming, two outgoing, and a fifth pair to synchronize the sound and vision.

A man sits back of the booth where he can look into two small apertures and see both the incoming and outgoing images. He wears a headset and hears the conversation. He turns knobs and presses buttons. It is his job to keep everything regulated and working together.

The morning I talked over the ikonophone there were fifteen men there from other magazines. They were all enthusiastic over two-way television after it had been demonstrated to them.

Some of these men were from technical magazines and were interested in the mechanics of the system. They wanted to know how long the equipment would work without fatiguing, what frequency of cycles was used. They wanted to know about the condensers and amplifiers and amperes—and other

things. Their questions were answered very definitely by the men explaining the system.

But when the men who were not particularly interested in the technique of television began asking their questions, they did not receive such definite answers.

One editor, for instance, wanted to know how soon it would be before the public would have the ikonophone, how soon it would be before the business man would be using it in his business. Another man wanted to know just how the business man would use television. Still another asked, "Do you think the use of television will affect newspaper and magazine advertising?"

These men were looking ahead—but they found no fortune tellers among the research workers.

"Two-way television could be used as a practical thing," they were told, "but it is an expensive thing today. We are still experimenting with it, trying to make it better. We have no way of knowing when, if ever, the business man will accept it—and if he does, what use he will make of it."

Sixty-one years ago an editorial was published in an influential Boston newspaper which said:

"A man about 46 years of age, giving the name of Joshua Coppersmith, has been arrested in New York for attempting to extort funds from ignorant and superstitious people by exhibiting a device which he says will convey the human voice any distance over metallic wires so that it will be heard by the listener at the other end.

"He calls the instrument a 'telephone' which is obviously intended to imitate the word 'telegraph' and win the confidence of those who know the success of the latter instrument without understanding the principles on which it is based. Well-informed people know that it is impossible to transmit the human voice over wires as may be done with dots and dashes and signals of the Morse code, and that, were it possible

to do so, the thing would be of no practical use.

"The authorities who apprehended this criminal are to be congratulated, and it is hoped that his punishment will be prompt and fitting, that it may serve as an example to other conscientious schemers who enrich themselves at the expense of their fellow creatures."

Will two-way television be of practical use to business? It would be just as foolish to predict that it will not be as it was for that newspaper editor to say what he did about the telephone. Only the future can tell—and it may be the near future—what use business will make of television.



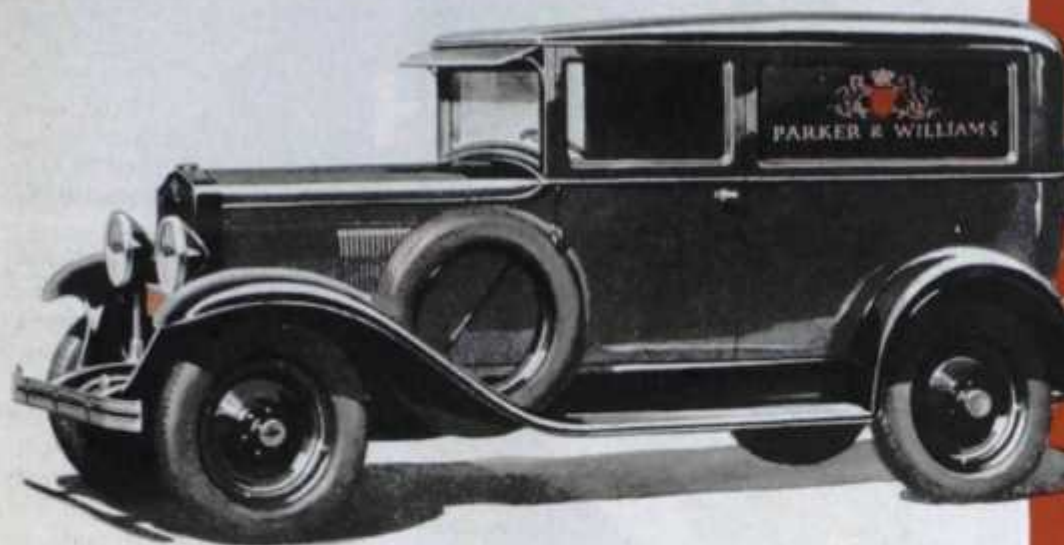
H. M. Stoller points out the mechanism he devised for the "ikonophone"



**THE scientific research laboratory presents business with a new telephone which enables its users to see as well as hear each other. Will business put this new tool to practical use? Will it be used for advertising, selling, for dispatching styles and news? If so, how soon?**



# ... it's wise to choose a SIX!



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The new Chevrolet Sedan Delivery, with its body by Fisher, is a decided favorite wherever the need is for smart, efficient, economical delivery equipment.

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In addition, the Chevrolet Sedan Delivery offers such

highly modern chassis features as completely enclosed, internal-expanding four-wheel brakes—four long semi-elliptic springs—four Lovejoy hydraulic shock absorbers—a big, rugged banjo-type rear axle—a ball bearing steering mechanism—and a heavy channel steel frame, with four rugged cross-members.

See this remarkable delivery unit at your Chevrolet dealer's today. Drive it. And, as you do so, remember that it is just as economical as any delivery unit you can buy. It costs no more for gas, oil, or upkeep. And Chevrolet's flat-rate service charges—including both parts and labor—are the lowest in the industry on many operations.

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(Spare tire and bumpers extra)

Light Delivery Chassis... **\$365**

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1½ Ton Utility Chassis **\$520**  
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Flint, Michigan



# A New Technique in Safety Work

By IRA O. HOFFMAN

**H**ORRIBLE examples of accidents, pictured in large photographs and distressingly shocking to workers who view them, do little to prevent accidents in a factory. This is the conclusion of the Personnel Department of the Buick Motor Company, of which Forrest W. Boswell is director and R. F. Thalner is safety director.

In the early days of safety work in factories large photographs were posted vividly portraying the unhealed stub of an arm or leg, the detached hands, arms, feet and legs, the vacant eye sockets, the burned and swollen parts, and other mutilations. Fellow workers of the injured ones were shocked and unnerved at the pictures of their friends' mutilations. Naturally the accident rates took no rapid tumble.

Though thus gruesomely warned against accidents, the workers were not trained to avoid them. Now, however, in the Buick plant, the horrible-example photographs have been replaced by examples not so horrible and by charts telling the workers how to avoid accidents. The results have proved the wisdom of the change.

## Education is most important

IT IS estimated that in the Buick factory the Safety Department devotes about 15 to 20 per cent of its effort to installing safety guards and other devices. That leaves from 80 to 85 per cent of the effort for educational work. Plenty of examples not so lurid as those



Photographs like this are helping reduce the accident rate in modern factories



**THE** psychology of accident prevention is changing. Experience has taught that workers can't be frightened into being careful. New methods have been devised that instruct while they warn, and show dangers without horrifying those instructed

once portrayed are found and illustrated in carrying out this educational program.

A man is operating a machine when a bit of steel breaks off the piece of work he is handling and is hurled against his goggles. The glass is shattered, but the eye is saved. A photograph, posted on a bulletin board, gives a realistic picture of the worker wearing the broken goggles and holding up the chunk of steel. It acts as an excellent warning, but does not shock his fellow workers.

Large charts are posted in the factory, each bearing several such photographs and lettered with educational advice. The photographs show a worker's tie caught in a drill and being wound around it, his head being drawn down toward the drill, his struggle to escape; another worker almost pulled into the machinery because his shirt is caught in the parts, a companion barely saving the man from injury, perhaps death; a glove whisked from a man's hand and drawn through gears of a machine, the hand having a narrow escape. These and other examples are found to be more effective than the picturing of the most horrible mutilations.

## Escaping machines

THESE milder examples, showing men who sense their peril and whose faculties are aroused to the utmost alertness in their struggle to escape it, seem to carry to the workers a little of the same mood. It is the right kind of mood for them to absorb—the feeling

that they'll fool the machines.

Besides, printed on the chart, is such advice as:

Great care must be exercised around revolving machinery, otherwise trouble will arise

Read Rule No. 4

The rule tells the workers how they should dress for work around such machinery—no loose or flowing coats, shirts, aprons, ties or other apparel.

On one chart, devoted wholly to in-



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May we submit  
a planned lighting lay-  
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Holophane unit for each specific location?

*Write for descriptive literature*

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DISTRIBUTORS' DEPOTS IN 83 CITIES



struction in protecting the eyes, are mounted ten photographs. Six show men wearing goggles in dangerous mechanical operations. One illustrates the four types of goggles adopted for various purposes in the Buick factory. Another shows eight pairs of broken goggles surrounded by legends such as:

The BLIND man does not need eye protection.

Jobs for blind men are scarce.

It is easier to see through glass goggles than it is to see through glass eyes.

Why take chances with your eyes?

Protect yourself and family, by wearing glasses or goggles when working on operations where the eyes are exposed to injury.

In the lower corners of this chart 20 pairs of broken goggles have been mounted. Over the unbroken glass in each pair is a card telling how the other glass was broken.

### Photographs help safety

PHOTOGRAPHS and charts also instruct on other points. Particularly is the wearing of safety leggings and shoes encouraged. The shoes have hard, strong toes, not easily crushed by heavy falling weights.

Employees are commended for accident prevention. When the Buick crew which crates goods for foreign shipment

worked a year without an accident, they got a front-page story in the shop magazine.

By means of monthly charts, thought-provoking data are put before these higher executives. At the head of a recent *Buick Accident Record* were printed two pyramids in solid black. One was labeled  $4\frac{1}{2}$ , and the other, 1, denoting their relative sizes. The figures and accompanying text read:

Compensation—Medical		
$4\frac{1}{2}$	to	1
Hidden Cost		Visible Cost

The inference is plain. After the company has paid compensation to an injured employee and taken care of his medical expenses—doctors, nurses, hospital, operation, medicines, special needs—it has to pay 4.5 times the sum of these expenses for expenses not apparent at first thought. A factory manager can estimate for himself the total.

When compensation for the loss of an eye, based on experience in Michigan, is fairly averaged at \$1,800, the example would work out like this:

Compensation	\$1,800
Medical expense	200
Visible expense	2,000
Hidden expense, 4.5 times \$2,000	9,000
Total expense	\$11,000

A piece of glass for the goggles, the manager knows, costs seven cents, and the time for putting it in place about 15 cents. Had a broken glass prevented the loss of the eye, the company would have been saved \$10,999.78 or thereabouts.

Hidden costs include many items. When an employee is seriously injured, other employees stop work and rush to him. The coming of the ambulance excites them. They lose from ten to 30 minutes time. The power, light and heat run on, wasted, another loss.

Some of the nervous workers quit work and go home, others spoil material, damage tools and machines, or turn out inferior goods, and production is decreased. The machine operated by the injured employee may be damaged. A new man must be broken in and the company loses the investment put into the training of the injured man. Some employees resign because of unpleasant memories and so labor turnover increases.

The time given to legal hearings of the compensation claim and the cost of additional accounting and filling out of accident records add to the expense. New workers in the factory are more likely to be injured than experienced workers, and this is an additional menace.

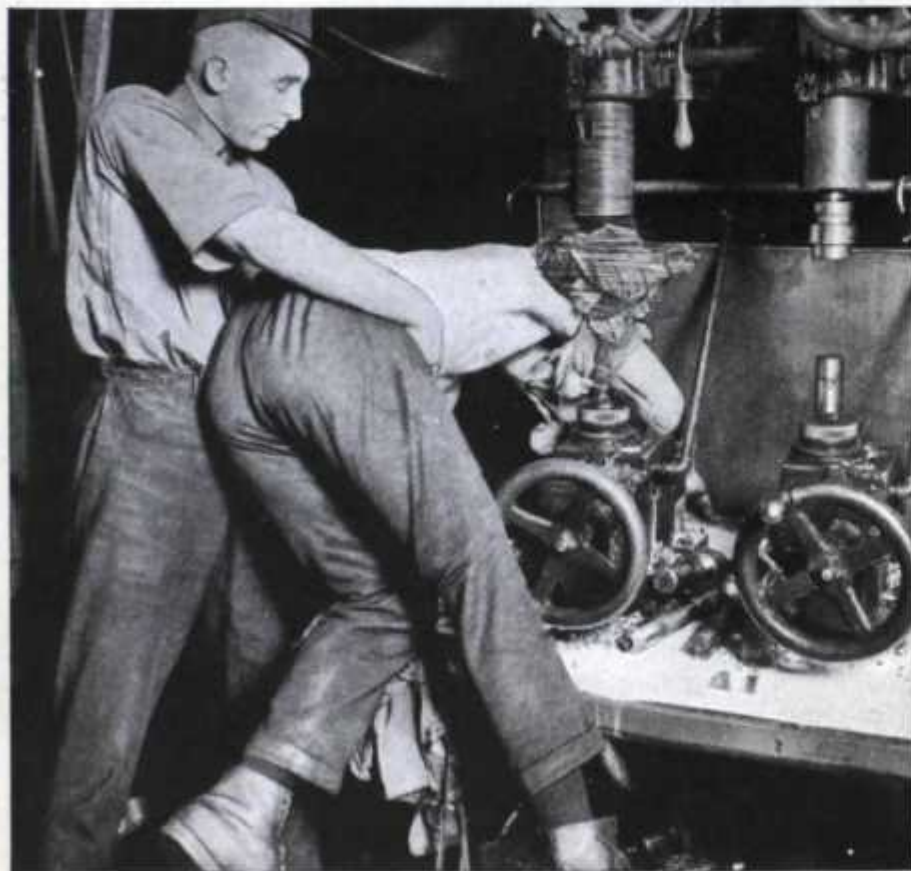
### Advance notice of accidents

WHEN several accidents take place within a short time, a company's expense runs into large figures. As accidents increase between June and September each year in the Buick plant, shop managers are advised in advance to take measures to prevent them.

The *Buick Accident Record*, made up by the Safety Division, is photographed and copies are supplied executives. The *Record* shows a space for each shop of the plant in which accidents have occurred. A shop's space is divided into 12 parts for the months of the year. Lines drawn across the space show the fluctuating record of accidents for months, and the year's record to date. Figures along the lines help to clarify the record.

The Safety Division prepares articles for the factory magazine, *The Buick News*, with the idea of aiding employees in establishing health and bodily protection. The horrible examples are sequestered and the good things of life are pictured to them, and would not any one try to avoid accidents to enjoy the good things?

The answer is a more favorable accident record.



This picture of a worker with his clothing caught in revolving machinery does more to promote care than the gruesome photographs of mangled victims which were once used in safety work



**INDUSTRIAL STEEL DOORS**  
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**INDUSTRIAL STEEL DOORS**  
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**SERIES "A" Pitched Roof Types**

TYPE 1 TYPE 2 TYPE 3 TYPE 3-M TYPE 4 SAWTOOTH TYPE

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TYPE 1 TYPE 2 TYPE 3 TYPE 3-M TYPE 4 TYPE 4-M

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Build Now While  
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Truscon also manufactures complete buildings. These buildings are furnished in many types and nearly all sizes. They are built of standardized units, yet are individually designed to meet your needs. You can have side walls of any description—any arrangement of doors and windows—and Steeldeck Roofs insulated and waterproofed. Every particle of

material that goes into these buildings is made by Truscon right in the Truscon plant. In short, a Truscon Building embodies in one assembly a substantial portion of the steel building materials which Truscon manufactures. These buildings provide three savings—material, labor, time. Write for suggestions and standardized building catalog.

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# Shall the State Pension the Aged?

By EDWARD S. COWDRICK

Author of "Industrial History of the United States"

STATE pensions for the aged are a step toward socialism, cry those who oppose the plan. They are a boon to the needy, say their sponsors. The debate touches you, as a business man, for your taxes may be called upon to support such pensions. Mr. Cowdrick discusses the plan here in a neutral fashion, giving the arguments of both sides

**E**LEVEN states and the territory of Alaska have laws granting pensions at public expense to aged and needy citizens. Four of these laws were enacted in 1929, and one, that of New York, in 1930. In three or four states old age relief bills are pending. Next year, with many more legislatures in session than meet in 1930, efforts will be made to put several new pension laws on the statute books.

Bills for federal legislation have been introduced in Congress and more such bills are promised. State commissions, present and past, have spent many months investigating the conditions of the aged. One national association, impressively sponsored, has as its main object the promotion of old age pension laws. Other organizations include pension legislation in their programs.

## How the situation stands now

THE business man, as first taxpayer of the realm, may well inquire whether the United States is headed toward extensive social insurance and will ultimately join with those European and South American countries which are engaged in what has been called the real social revolution of our day—the legal

transfer of money from the pockets of the relatively prosperous to those of the relatively poor. Is pension legislation a boon to the needy aged, a menace to the rest of society, or both, or neither? A survey of the history of the movement and an appraisal of the existing pension situation may help find an answer to the question.

Pension legislation in the United States is of comparatively recent growth. The first act was passed by Arizona in 1914 but was promptly declared unconstitutional. The next year Alaska enacted a law to pay pensions to aged and needy pioneers. Soon an active pension campaign was in progress, backed by several organizations which were push-



INTERNATIONAL NEWSREEL

The Daughters of Jacob Free Home for the Aged in New York, one of many institutions in this country for the care of old people



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ing various kinds of bills by various methods.

In 1922 all the organizations supporting pension laws held a conference out of which emerged a definite plan of campaign and a more or less "standard" bill. This bill, with a few modifications, is now being promoted actively by the American Association for Old Age Security, the American Association for Labor Legislation, and the Fraternal Order of Eagles. It was endorsed by the American Federation of Labor at its convention last year.

With the enactment of the New York law in 1930, state old age pension laws were in effect in that state and in Colorado, Montana, Maryland, Kentucky, Nevada, Wisconsin, Wyoming, California, Minnesota, Utah and Alaska. Bills enacted in Arizona and Pennsylvania have been declared unconstitutional.

### Few pensioners thus far

ACCORDING to a summary prepared by the United States Bureau of Labor Statistics early in 1929, the total number of pensioners was then slightly more than 1,000 and the average monthly pension was about \$17. By the end of the year the number of pensioners had increased to about 1,200.

The relatively insignificant number of pensioners thus far on the rolls is due largely to the fact that most of the statutes are optional with counties, which can accept them or not as they see fit. In most of the states, in fact, pension laws are not widely operative.

On January 1, 1930, a state-wide mandatory law went into effect in California and on the same date the city of Milwaukee began participation in the pension law of Wisconsin. These two developments alone were expected to add greatly to the number of pensioners and the aggregate disbursements in the immediate future.

With the exception of the optional or mandatory features, most of the state pension laws thus far adopted are similar in their main provisions. All are noncontributory; that is, prospective pensioners are not required to subscribe any of the cost. In some states all the money is provided by the participating counties, while in others local funds are

supplemented by state aid. Applicants must qualify by meeting prescribed requirement as to age, citizenship, length of residence in the state or county, and poverty.

### Terms of state laws vary

THE maximum pension in most states is \$1 a day and generally this maximum may be reduced to the extent of whatever income the pensioner has from other sources. Some laws specifically exclude from pension benefits persons owning property valued at more than stipulated amounts—\$2,500 or \$3,000. In the laws permitting county option, the funds in counties which elect to pay



CULVER SERVICE

Those who favor a system of state pensions maintain that the care of aged persons in public institutions is both inefficient and wasteful



WIDE WORLD PHOTOS

Although still able to work, these men from the Home of the Association for Improving the Condition of the Poor find that they are unable to get jobs

pensions are administered by the local authorities.

Under the standard type of law, we find a method and a philosophy wholly different from those of industrial pensions on the one hand and of social insurance on the other. When an employer pays pensions to men who have grown old in his service he usually does not restrict the benefits to those who are actually destitute. His motive is mainly to remove superannuated employees from the active pay roll without doing violence either to his own conscience or to the opinions of employees or the public. Reduction of labor turnover and improvement of morale and efficiency are lesser



# Burroughs *Electric* Portable



Adding-subtracting machine illustrated, \$175 delivered U. S. A.; \$205 in Canada. Other electrics as low as \$120; hand models as low as \$80

## Fast . . . Compact . . . Economical

**FAST . . .** because a light depression of motor bar actuates the motor, which instantly completes the operation. Total key also actuates the motor.

**COMPACT . . .** because the motor is built directly into the mechanism without increasing the size of the case, or affecting the portability of the machine. It is therefore ideal for both desk and counter use.



*Light in weight and easy to carry from desk to desk*

**ECONOMICAL . . .** because the greater speed and ease of electrical operation minimize operator fatigue, and result in increased production.

For a demonstration of the Burroughs Portable best suited to your requirements, call the local Burroughs office, or write—

BURROUGHS ADDING MACHINE COMPANY  
6136 SECOND BOULEVARD, DETROIT, MICHIGAN

BACKED BY WORLDWIDE BURROUGHS SERVICE

*When calling a Burroughs representative please mention Nation's Business*



considerations. Social insurance laws, currently popular in European schemes of legislation, generally require contributions from the state, from the employer, and from the individual, and the pension feature is the outgrowth of a philosophy which aids and requires a man to make provision for his own maintenance in old age. Usually under such laws actual need is not made a requirement for participation in the benefits.

In contrast both to industrial pensions and to social insurance, state pensions of the type thus far adopted in the United States are essentially a form of poor relief—a substitute for the almshouse. They impose no responsibility upon the individual or the employer (except in their capacity as taxpayers) and, through the poverty requirement, they are likely in many cases to reward the thriftless and the indolent rather than the deserving. In these respects they differ little from other forms of public charity.

At this point several questions logically arise. Are state pensions of the American type necessary? Are they desirable? Are their advantages outweighed by disadvantages? Will they

self-dependence. Most of us are only a few generations removed from the pioneers. Throughout the greater part of its history America offered scant community support to the weak, and lavished splendid rewards upon the strong and the independent.

### We still think as pioneers

IF A MAN was beaten in one enterprise or in one locality, the natural thing was for him to migrate to a new part of the country and start again. Cheap land, boundless natural resources, and the abundant elbow room remaining in a sparsely populated country put a premium upon initiative and self-reliance. Pioneer conditions passed, but pioneer psychology remained—and contributes much to current American thought on social and economic questions.

But, says the advocate of state pension legislation, it is senseless to project theories of self-maintenance in old age into a period when for a large part of the population self-maintenance is impracticable. The number of aged persons in the United States is increasing, and the extent of old age dependency, while difficult to estimate accurately, is admit-

themselves. To keep on tilling the soil or working in a little shop until a ripe old age was one thing; to find a job in a factory after reaching the age of 45 or 50 is another. In spite of the unexampled prosperity of American wage earners, it is argued, the lot of the workers who have reached the higher age ranges is relatively harder than it was in the agricultural and handicraft eras.

It is futile to expect that any considerable proportion of the wage-earning population will be able to save enough to provide maintenance through long periods of nonproductive old age. Even those in the business and professional classes often are victims of economic shipwreck and are left to face the future with insufficient resources. Industrial pensions, paid by employers, benefit only a relatively small fraction of the population.

All this being true, continues the defender of state pensions, who is to care for the aged poor, since manifestly they are not to be left to starve? Children and other relatives can do something, but families are smaller than they once were and many destitute persons have no relatives near enough to be in the zone of responsibility.

Even so, he adds, many more aged persons than are dependent upon public charity are being supported by relatives, often through sacrifices that constitute real handicaps upon the rising generation. Is it fair or good public policy to require a man to keep his children out of school so that his parents may be kept out of the poorhouse? Care of the aged, he insists, is a social responsibility which should be fulfilled at public expense.

### An economy measure?

IT BECOMES then a question between state pensions and other forms of public charity, notably the almshouse. Almshouse administration in this country on the whole has not been particularly

creditable. The advocate of state pensions meets little opposition when he argues that the average public institution is not an inviting place to spend one's last years. On the other hand those who favor state pensions maintain that the care of aged persons in public institutions is inefficient and wasteful; that payment of pensions would represent a

(Continued on page 182)



EWING GALLOWAY, N. Y.

**Would state pensions eventually replace institutions such as the Sailors Snug Harbor on Staten Island? Critics of the plan do not think so**

enable society to care for its needy members more effectively than it is already doing by other methods?

In appraising the arguments for and against state pensions, we shall be in danger of going astray if we do not take into account at the start the inherent prejudice against any kind of social regulation which seems to run counter to American ideals of individualism and

tedly great. Thousands of aged persons are utterly destitute.

Poverty is not new and in all periods it has pressed with extra severity upon the aged, but the pension advocate points out that the progressive industrialization of the country and the exacting demands of present-day scientific production render it more difficult than formerly for aged persons to support



★ **WHEN** a girl comes into the field of trade where man has ruled unchallenged for centuries and declares that man does much of his business thinking backward she needs strong arguments to support her views. Miss McNelis has them



G. DOBIE, ATLANTIC CITY

CATHERINE McNELIS

# Where Men Need Women's Help in Business

By CATHERINE McNELIS

President, Tower Magazines, Inc.

**W**HAT she buys and where she buys it is all that counts in selling to woman. "What she buys" embodies all her reasons for buying—name, size, color, fashion, economy, purity, durability. "Where she buys it" covers convenience to her, and reliability, too.

These are the factors that are important to her. She cares nothing about a manufacturer's struggles, ambitions, financing, production, raw material, rent, overhead. These things may cloud the picture of a manufacturer's product in the manufacturer's mind and in the minds of the man-organization making and distributing his goods. The woman customer, admittedly, finally determines the future of most manufactured products today. Yet, in preparing products for an overwhelmingly woman market, producers and movers of mer-

chandise are not using woman's instinctive and acquired abilities to their fullest economic value.

The fate of hundreds of products is determined over the counters of retail stores. These thousands of daily transactions are the final stage and final test of the desirability to women of the products. So that, long before the design of the product is made, before the whirl of the factory machinery, it is important that the consumer market, and the attributes that a product needs to go smilingly to the consumer market, be recognized and crystallized.

## Customer's opinion comes too late

**THIS** everybody knows, of course. But the point I make is this—if more women were used in helping to plan and develop products, a great economic purpose might be served. It would doubtless

eliminate much waste in some of the ill-fated products that clog warehouses or move too slowly thru distribution channels.

The direction of thought is too often with the flow of merchandise—which is effect. We are ignoring, as a conscious mental process, the irresistible force of human wants and needs—which is cause. In directing the merchandise from production to consumption we move backward instead of forward. Whether a business intends to compete for existing customers in its line or to develop new markets, consumer selection must be taken into account before a wheel has turned or an article has been offered for sale.

This means that the continuous first step in any business must be a study of the influences that actuate the consumer in making selections. Men may summarize the effects of these influences



after the fact, or sale, but in my opinion they must depend on women if they are to interpret them in advance. I think this is true to some extent even in those retail fields catering directly to men.

Contrary to the bromides of the joke-smiths, women generally have good reasons for their selections. What is more important, most of them are more conscious than men of the reasons for these decisions. There is no mystery about this. From their earliest childhood most of their interests center about the use of things. Even in the poorest families they go through a continuous training in colors, textures, and uses. Comparison of these factors and of prices becomes second nature to them.

### Women have the viewpoint

OFTEN men fail to observe that this process entails an analysis of values which would take nearly every element of gamble or speculation out of selling if it were considered before instead of after merchandise is manufactured and offered for sale. There are only two ways by which it may be taken into consideration. One is for men to revolutionize all their early training so that they may become as interested and adept at shopping as women are. That, of course, is ridiculous. The other is for men to use the instinctive knowledge of the women now employed in business or who can be employed.

As I see the developing science of merchandising, after ten years on the firing line of department store selling or just back of the line in advertising, there is a definite tendency in that direction. But it is a development that is slower than its value warrants.

Control of business is in the hands of men, and most of them are still thinking from production to distribution. Women employed frankly for their shopping knowledge are being required to think backward. Instead of trying to find out how products may be adjusted to human wants, business is still trying to adjust the consumer to what it has to sell and to its own habits or way of selling.

Business men thinking from production to distribution are often able to see only the existing consumer of their own or competitive products. In the scramble for that visible buyer they sometimes overlook ten or a hundred others, and the more they concentrate the more it costs.

I know also that the "natural market" visible from production is by no means the same as the one visible from distribution. Recently I was discussing this difference with an executive of a large

## BUSINESS FOLK IN



### OLDEST BANK

E. G. Merrill runs the Bank of New York and Trust Company, the city's oldest bank. Its age is 146



### SHIPS

Sir Percy Bates, a veteran shipping man, is chosen as chairman of the board of the Cunard Line



### B. & M.

Edward S. French, Springfield, Vermont, is the new president of the Boston and Maine railroad



### WINS PRIZE

Paul Stewart, Commerce Department, wins the \$2,000 Harvard award for "MarketData Handbook"



### CHEMIST

General Electric's Irving Langmuir is awarded the Gibbs Medal, high honor in the chemistry field



### GIVER

Founder of Flag Day and Bundle Day, Ben Altheimer at 80 remains an optimist and philanthropist



★  
THE MONTH'S NEWS

## RISES

Once Isaac Liberman was a clerk. Now he is the owner of the Arnold Constable Store, New York



## ENGINEER

J. M. Morehead, an engineer and Union Carbide official, is the new American minister to Sweden



## BAKER MAN

The \$50,000,000 merger of the Interstate Bakeries, of Kansas City, is headed by R. L. Nafziger



## MOVES UP

John McKinley succeeds James Simpson as the new president of Marshall Field & Co., Chicago



## SILK

Thomas B. Hill, of New York, is the newly elected president of the Silk Association of America



## BANKER

J. Herbert Case, of New York, is the newly named chairman of the New York Federal Reserve Bank

corporation manufacturing electrical equipment and appliances. He told me that he can learn more about what sort of people buy his company's products by one hour of first-hand observation in a department store than by weeks of study of income statistics.

This corporation has been unusually successful in one of its newest divisions, selling a product that retails at more than two hundred dollars. In addition to analyzing market statistics, the executive to whom I talked made a little survey of his sales force and its selling. He told me that the success of his salesmen was in inverse ratio to the income of their customers. The stars, that is, were ringing door bells in the residential districts of workmen.

Viewing this market from the perspective of production, it can be proved conclusively by statistics that the occupants of these dwellings cannot afford to buy or pay for that particular product. But that is where the salesmen are getting most of their orders and the merchandise is being paid for.

## Elusive saturation point

THE item happens to be one that women want badly. As figures go, it looks a little out of proportion to the pocketbooks of the big market now buying it. But any woman figuring the market for it would know its appeal and the sound reasons why it can be sold on the basis of economy to women already desiring it keenly. Some of the competitors of this corporation were actually talking about the approach of the saturation point of a few years ago. But this executive believes that only 25 per cent of the market visible today has been supplied and the market is growing more rapidly than the rate of production.

The market for this and other products has been there all the time. All that is necessary is first to recognize its existence and then to build whatever one has to sell to its needs.

To utilize women's knowledge does not, in my opinion, call for the substitution of women for men, or a change in the ownership or control of most businesses. I doubt that the majority of women are interested in these activities. I do believe, however, that a woman's voice in more of our important merchandising creations and developments would serve business well.

Recently I went to talk to the members of the plan board of a great and successful agency. This committee's business is to know how to reach manufacturers' markets. Its functions are strategic, rather than operative. Its pri-



mary concern, that is to say, is with the making of broad general merchandising policies. What the consumer wants, and why, and where, and how, are questions to which its members have devoted most of their working lives. When correct answers have been found, it is hardly possible to go wrong on the resultant advertising plans.

This committee has been extremely successful. It has an imposing list of national accounts, and many outstanding business enterprises have clung to it over long periods. Many of these corporations have held unquestioned leadership in their lines against the strongest competition.

In the face of this showing it may

appear presumptuous to venture a suggestion; yet, I must confess that I was surprised and amazed when I walked into the committee room.

"Where" I asked, as I was shown to a seat at a long table, "are the women?"

Twelve or 14 men of unquestioned ability had been holding conferences around that table for years to find out what the consumer wants—and why, and where, and how. Most of them agreed that in every industry where the final sale is to the individual—for her own or family consumption—"consumer" is a synonym for "woman." They had statistics to show what percentage of this and that is bought by women, and they had studied women's influ-

ence in fields where the actual purchase is made by men.

But they do not use in their conference room one representative of the sex that does most of the buying.

I believe that women belong in all the councils of trade where women's instincts and progress are important. Great department store executives will tell you that women executives are increasing, because they have proved themselves specially fitted by doing outstanding work in retailing. When women's potential value in other phases of marketing is recognized and put to work, I believe we shall have gone a long way toward reducing the cost of manufacture and distribution.

# She Handled Woolworth's Campaign

By WILLIAM BOYD CRAIG

Associate Editor, NATION'S BUSINESS

**A** YEAR ago the world and his wife read the first advertising the Woolworth Company had ever done. This was no feeble announcement. Sixteen-twelve-, ten- and six-page spreads in colors called attention to the company's fiftieth birthday, and to the merchandise values carried by the famous five-and-ten.

Here was something new in advertising. The business world was set to wagging over it. Five-and-ten stores have not been actively identified with advertising as a rule. Advertising trade papers gave unusual space to this story.

Shoppers who entered the familiar red fronted stores were given an alluring little golden booklet telling the history of the institution. The booklet's covers were in keeping with a golden anniversary. The tie-up of the magazine advertisements and the brochures should show interesting results, advertising men said. Results did show up, it might be added. An impressive increase in sales followed.

Questions were inevitable. To whom had Woolworth executives entrusted the task of interpreting a half century of merchandising achievement? Woolworth's entrance into advertising marked a milestone in merchandising history.

## ● THE WOOLWORTH stores had never advertised.

An official is quoted as saying he would rather throw money out the window than buy space with it. And yet Miss McNelis convinced them they should advertise, and made their campaign a success. This startling young woman succeeded on a job where men had failed for years

It was not a man at all, but a young woman who just a few years back had been working in a department store in Wilkes-Barre, Pa. Her name is Catherine McNelis. But what equipped her for what is generally recognized now as an excellent portrayal of a great American distributing institution?

The answer lies in a training in retailing—both as to its advertising and merchandising functions—which might have been made to order for the task.

In the Fowler, Dick and Walker department store at Wilkes-Barre, and in other department stores in several larger cities, Miss McNelis had learned to relate a number of developments ordinarily thought of as distinct and separate phenomena.

The local retail store is one of these developments. The national distributor is another. Their problems, theoretically separate, were actually so closely inter-

woven that one could not continue to attain complete success without the other. In the Wilkes-Barre store Miss McNelis had mastered the capacities and shortcomings of the local store. Syndicated promotional activities for stores in all parts of the United States had given her a national perspective.

She had experience. But she had also a gift of observation which enabled her to note certain obvious relationships which ordinarily escaped attention. Among retailers this had given her a definite national distinction. At that time she is said to have been the highest paid woman in department store promotion work in the country.

At about this time Miss McNelis joined forces with Hugh Weir. Newspaper editor at eighteen, he had been widely known for a quarter of a century as a contributor to the great national periodicals. This had been

(Continued on page 203)



G. W. DUNNICAN, Chief Engineer

LEHN & FINK, Inc.

"Profits can quickly be reduced—even completely wiped out—through inefficient packaging, in these days of large volume production and small profit margins. Naturally, with our immense output we observe every precaution to guard against waste or inefficiency in this final phase of our production."



## "Packaging efficiency is often the difference between profit or loss"

"Profit," says Mr. G. W. Dunnican, Chief Engineer of Lehn & Fink, Inc., Bloomfield, N. J., "can quickly be reduced, even completely wiped out, through waste and inefficiency in packaging, especially in these days of large volume production and small profit margins. Naturally, America's largest producers must maintain the highest possible efficiency in their packaging operation."

"The highest possible packaging efficiency" is being maintained by the great majority of America's leaders in mass production, as it is by Lehn & Fink, Inc., through the use of Pneumatic Machines. Lehn & Fink, Inc., use Pneumatic Machines to fill and cap the containers for two of their nationally known products—"Lysol" Disinfectant and Hinds Honey & Almond Cream. Other nationally known users of Pneumatic Machines include Proctor and Gamble, Swift & Co., Lever Bros., Carter's Ink Co. and hundreds of manufacturers of similar character producing both liquid and dry products.

Pneumatic engineers are at the service of large or small manufacturers, without obligation. Send for the book "An Interview" that tells the complete story of Pneumatic's experience, accomplishments and ability to serve you.



# PNEUMATIC SCALE PACKAGING MACHINERY

PNEUMATIC SCALE CORP., LTD., NORFOLK DOWNS, MASS.

Branch offices in New York, 26 Cortland St.; Chicago, 360 North Michigan Ave.; San Francisco, 320 Market St.; Melbourne, Victoria; Sidney, N. S. W., and London, England

Carton Feeders  
Bottom Sealers  
Lining Machines  
Weighing Machines  
(Net and Gross)  
Top Sealers  
Wrapping Machines  
(Tight and Wax)  
Capping Machines

Labeling Machines  
Vacuum Filling Machines  
(for liquids or semi-liquids) — Automatic Capping Machines — Automatic Cap Feeding Machines — Automatic Corking Machines.



# Why Risk Typhoid?

*20 times more dangerous than lightning!*



© 1930 Metropolitan Life Insurance Co.

**W**HEN lightning flashes and thunder roars, timid folk are often frankly scared and even the most stout-hearted are awed. They can see the threatening danger against which they are helpless. Yet most of these very people ignore an unseen danger against which they can protect themselves. It is typhoid fever, and it costs twenty times more lives than lightning.

Typhoid kills one out of every ten attacked. Those who recover are left in such a weakened condition that for two or three years following an attack, the deathrate among them is twice the normal rate. Sometimes typhoid leaves after-effects from which the patient never recovers.

Most cases of typhoid are contracted by people away from home — touring, hiking, camping, traveling. The disease is caused by eating or drinking something contaminated by typhoid germs. Water that tastes delicious and looks crystal clear, or raw milk and uncooked foods may carry the disease. If you swallow enough typhoid germs and are not immunized, typhoid fever is almost certain to develop.

*But you need never have typhoid fever. It is one of the few preventable diseases.*

By means of three simple, painless inoculations — entirely safe and leaving no scar — your doctor can make you immune from typhoid fever for two or more years. The United States Government tests and approves all typhoid vaccine before it reaches physicians.

Before you start on your summer outings in the country, consult your physician as to the advisability of being inoculated. Make sure that typhoid will not claim any member of your family. Metropolitan will mail free, its booklet, "The Conquest of Typhoid Fever". Ask for Booklet 630-U.



**METROPOLITAN LIFE INSURANCE COMPANY**  
 FREDERICK H. ECKER, PRESIDENT ONE MADISON AVE., NEW YORK, N. Y.





The mere operation of the machine we have set up is the biggest business in the world

# Each Dollar Spent Helps Every One

By FRANK L. DAME

President, The North American Company

ILLUSTRATIONS BY DON MILLAR



WHAT does it benefit the butcher, the baker and the candlestick maker if an electric company spends \$400,000 for construction? Mr. Dame says it benefits them enormously. To prove it he breaks down the figures in such a transaction to show who ultimately gets the money. If you are a business man you get part of it

**M**ANY COMMENTATORS on the recent prosperity conferences at Washington seem to have overlooked that the United States is a going concern. Certainly this fact was uppermost in the mind of President Hoover when he called business and industrial leaders together last autumn. But in much that has been said and written about these meetings, the emphasis, it seems to me, has been on restoration rather than on continuation.

Relatively few of our citizens are in a position to visualize for themselves the immensity of our industrial machine. They cannot see the country whole. Having no idea how big it is, and what a great amount of work is required to keep it in operation, they are naturally susceptible to the suggestion that the machine is being threatened with stoppage.

The real truth is that, even when we are marking time, as we were in many industries during the closing months of 1929, the mere operation of the machine we have set up is still the biggest and most profitable job in the world.

It is big and profitable and con-

tinuous because every dollar spent in the undertaking is ultimately divided, distributed and subdivided to a point that defies complete visualization, but that directly or indirectly benefits nearly everybody. It is our custom to speak of these dollars in terms of their initial concentration, but the real truth is that the bringing together of a million dollars to carry out a large construction program, for example, is only the first step in a program of widespread distribution.

Some of the money is spent, as a matter of fact, in bringing the capital fund together, while after its distribu-

tion starts there are collateral or parallel expenditures all involving the employment of men and women and the sale of merchandise. This preliminary expenditure employs clerks and salesmen in banks and investment houses, printers for stock and bond certificates, paper manufacturers, post office employees, statisticians, stenographers and others contributing direct service to the effort, to say nothing of an even larger number of indirect employees. Ultimately some of the money spent goes into gasoline service stations and railway ticket offices, the coffers of the telephone companies, restaurants, drug



Prosperity in the ancient order was acquisition, the concentration of wealth in the hands of the few, a process of excluding the mass



stores and stationery shops. These divisions are obvious enough when we think about them, but when we do not think about them we fall into error.

We think then of American prosperity in terms of ancient, old-world economic doctrines that have no place in the American scheme of things. Prosperity in the ancient order was acquisition, the concentration of wealth into the hands of the few, a process of excluding the mass. In the United States that is reversed, not merely in theory, but in practice.

### Any success helps all

YET we continue to speak of so many billions for construction as a contribution to the workers and manufacturers in that industry alone. The expenditure of three billion dollars for wages by the railways during 1929—a sum to be exceeded by many millions in 1930—is set aside in our minds as good news for railway workers only. The fact is that it affects sales volumes, profits and wages in all fields of production and distribution from locomotives to the five and ten cent stores.

Recently it occurred to me that it might be worth while to offer specific proof of this process from the operations of The North American Company, which is typical of the electric light and power industry. The operations of its subsidiaries are largely in this field. In 1929 these subsidiaries spent 50 million dollars for new construction alone. And in 1930 the sum reported to the presidential conference—and planned in response to the needs of the machine long before that meeting was called—will be about 57 million dollars.

Originally my idea was to break down this sum to show what its ultimate distribution will be. But a little scanning of records made it clear that this would yield only end sums too large to be related to the individual, and that even this would require a small library.

From the end figures of such a job, however, it is possible to illustrate the point I have in mind. One of our subsidiaries found it necessary to construct a steel tower transmission line 43.9 miles long, designed to carry current at 132,000 volts. The total cost of the operation was less than four hundred

thousand dollars, \$392,545.15, to be exact. Our final cost records show a division of \$200,548.79 for material, \$111,168.25 for labor and \$80,828.11 for sundries.

Subdivision of any of these items carries the individual dollar down to a point of invisibility. Under material, for example, our records show expenditures of \$126,640.86 for poles, towers and fixtures; \$71,403.39 for wire and insulators; and \$2,504.54 for transportation equipment and miscellaneous items. The item of wires and insulators includes a charge of \$1,607.18 for sundries. That in turn includes hundreds of smaller charges, among which may be mentioned ten-cent emergency purchases in drug, five-and-ten-cent and hardware stores, together with equally small sums shown on requisitions against our own stock rooms for an inconceivably large variety of products.

The breakdown of the item for poles, towers and fixtures reveals expenditures of \$28,409.67 for sundries, leaving slightly less than \$100,000 as the sum paid out for direct material purchases. But while this is shown in three groupings on our records, it does not mean that three different supply companies or even three different industries pocketed the whole sum.

### Steel touches many industries

THE money paid out for steel towers, for example, represents the final cost of a series of operations starting in a mine, which may be in Alabama or Minnesota. At the very beginning it calls for far-reaching organization and cooperation of industries ordinarily thought of as unrelated. Shipment of the ore after men and machinery have extracted it from the earth employs deckhands or railway brakemen, or both. From three to a half dozen mills convert the ore into iron, the iron into steel ingots, the steel into shapes.

Partially assembled, the shapes are shipped to the line and loaded on motor trucks. Engineers, draftsmen, clerks and a host of others have been employed to lay out the line. The sum of \$38,443.17 has been paid out to farmers, incidentally, for this property—a 44 mile strip 80 feet wide—in amounts ranging from a few hundred to a few thousand dollars. Grading has been done by common labor, plus trucks and tractors. Now the concrete workers place foundations in forms made by carpenters, and the structural iron workers are ready to begin final assembly.

A similar series of operations begin-



Shipment of ore after men and machinery have taken it from the mine employs deckhands or railway brakemen or both



DO YOU WORK IN *THIS* KIND OF LIGHT . . . OR *THIS*?

**\*MAZDA**  
the mark of a research service

**G**OOD LIGHT will help your employees to do their work speedily and accurately. If people in your establishment are slow in getting their work done, or if they make many mistakes, poor light may be to blame.

Edison MAZDA\* Lamps are made of the finest materials obtainable and with an accuracy that assures full value of the current consumed. They bring you the benefit of fifty years of progress in electric lighting.

Examine the lighting conditions under which your employees do their work, then write to the Engineering Dept., Edison Lamp Works of General Electric, Nela Park, Cleveland, O., and we shall be glad to send you free bulletins concerning proper illumination in your particular kind of business.

# EDISON MAZDA LAMPS

GENERAL  ELECTRIC

*When writing to EDISON LAMP WORKS please mention Nation's Business*



ning at the copper mines marks the stringing of wires, and still another one the placing of insulators. The labor cost to our subsidiary for that part of the job alone was \$5,997.74. For preparing the right of way it was \$10,002.51. Sundries under right of way total \$12,000. No one man can possibly know where each dollar went without poring over hundreds of record pages, but the proof of widespread distribution is indisputable.

### Putting money into circulation

YET this represents, roughly, only about one-third of the total expenditure necessary to build that particular line. The new line has been made necessary by a growing demand for light and power. When the machine to supply this demand is enlarged it follows that expenditures for operation, which are of a more or less fixed nature, will, of necessity, increase. There will also be an increase in such fixed corporation payments as taxes, bond interest and dividends, and all of them are important in sustaining and increasing public spending power.

Operating expenditures will be distributed through many channels, including employee pay rolls; tax payments will become available for public works, and interest on bonds and dividends on stock will flow to large numbers of investors. It would be difficult to show the exact amount of such payments required or created by this one small high tension line which has been under discussion. As a matter of fact they are cumulative, the effect of many such operations.

This effect can best be illustrated by figures of total expenditures, the proportions of which will run approximately the same for all basic industries.

From this view, The North American Company and subsidiaries will actually spend in 1930 approximately 171 million dollars. This includes the item of 57 million dollars for new construction as reported to the President's conference. But in addition there will be about 84 million dollars for operating expenses, including the item of 11 million dollars for maintenance and an item of 17 million dollars for taxes. Direct payment to investors in bond interest will approximate 18 million dollars and dividends on the preferred stock will amount to some 12 million dollars.

Multiply these figures by all the basic industries of the country, and it will be evident that what might be called the automatic range of our prosperity is



**The involuntary effort of the nation is toward growth and improvement**

far greater than even well-informed business men generally suspect. Without a dollar for new construction—if that were conceivable—the operation of the existing machine at a fixed pace would employ millions and require the expenditure of billions. It is not conceivable that we could operate the machine at all without some new construction, however, for no matter how well it is built it wears itself out.

### Obsolescence makes business

EVEN more rapid than the wearing out process is that of obsolescence. The machine as a whole requires constant rebuilding because it is being constantly

improved. Each improvement widens markets by increasing facility or convenience or reducing costs and prices, and that makes further improvement imperative to meet increased demand. Thus it is only a matter of time until routine operation creates new economies.

The electric light and power industry alone will spend about \$2,400,000,000 in 1930 for all purposes, including 865 million dollars for new construction, as reported at the conference with President Hoover. On this basis, the entire public utility industry, including electric, gas and street railway companies, will distribute about \$4,200,000,000, including \$1,400,000,000 for new construction and 400 million for maintenance.

### Construction and equipment

AT THE Washington meetings it was announced that the railways would spend vast sums for new construction, but later compilations have shown that total expenditures will far exceed the amounts published heretofore. In addition to 680 million dollars for roadway and structures there will be 370 millions for equipment. It is estimated that the first six months of 1930 will absorb 490 million of the expenditures planned, or 140 million more than was spent in the same classifications during the first six months of 1929.

Study of the statistics of every other basic industry will reveal similar increases, made not because any group is trying to restore or preserve prosperity, but in response to the demand created by the operation of the world's largest industrial machine.

This machine cannot stand still. It must be enlarged or reduced, and the tremendous involuntary effort of a nation is devoted to enlarging and improving it. In good times or bad, the people of this country will demand and use such basic facilities as railway, motor truck, passenger car and street railway transportation, electric light and power, telephones, to which they have become so accustomed that doing without them is not even considered.

While that remains true we shall have a constantly increasing backlog of expenditure which is translated rapidly into national buying power. For our basic industries alone I would venture to say that this runs into more per capita than the per capita income of many other countries. Since it is constantly increasing, it follows that our problem in this country is not how to shorten sail, but how to continue reducing costs and improving quality.





## BAKELITE SURVEYS A NATION'S INDUSTRIES



### SPORTING GOODS

THE remarkable versatility of Bakelite Materials is strikingly evident in the field of sport. They serve the passive devotee as well as the active participant.

Those whose enthusiasm for sport is satisfied by grand stand seats, will find Bakelite Molded in the binoculars with which they follow the play—and in the camera used to make a permanent record of the cheering throngs.

Bakelite Material is utilized for the shoe cleats of the teams on the gridiron, on the racquets of the

players on the tennis courts, and on the fishing reels of the "Isaac Waltons" who whip mountain streams for wary trout.

If your favorite indoor sport is "balkline," you may find that the glistening balls really are Bakelite. If it is "jack-pots," then that stack in front of you is likely to be of the same material.

And when the judges honor you for making a "hole-in-one," the handsomely engraved silver cup will probably stand on a lustrous, black Bakelite Molded base.

### NEXT MONTH CHEMICAL INDUSTRY

*The Story of Bakelite.* This outstanding romance of industry is of absorbing interest. It is told in an industrial motion picture film showing the various stages in the manufacture of Bakelite, and the fabrication of finished products. A two reel print on standard width non-inflammable stock will be loaned free of charge.

#### BAKELITE CORPORATION

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BAKELITE CORP. OF CANADA, LTD., 163 Dufferin St., Toronto, Ont.

# BAKELITE

The registered Trade Mark and Symbol shown above are used only on products made from materials manufactured by Bakelite Corporation, under the name of "Bakelite".

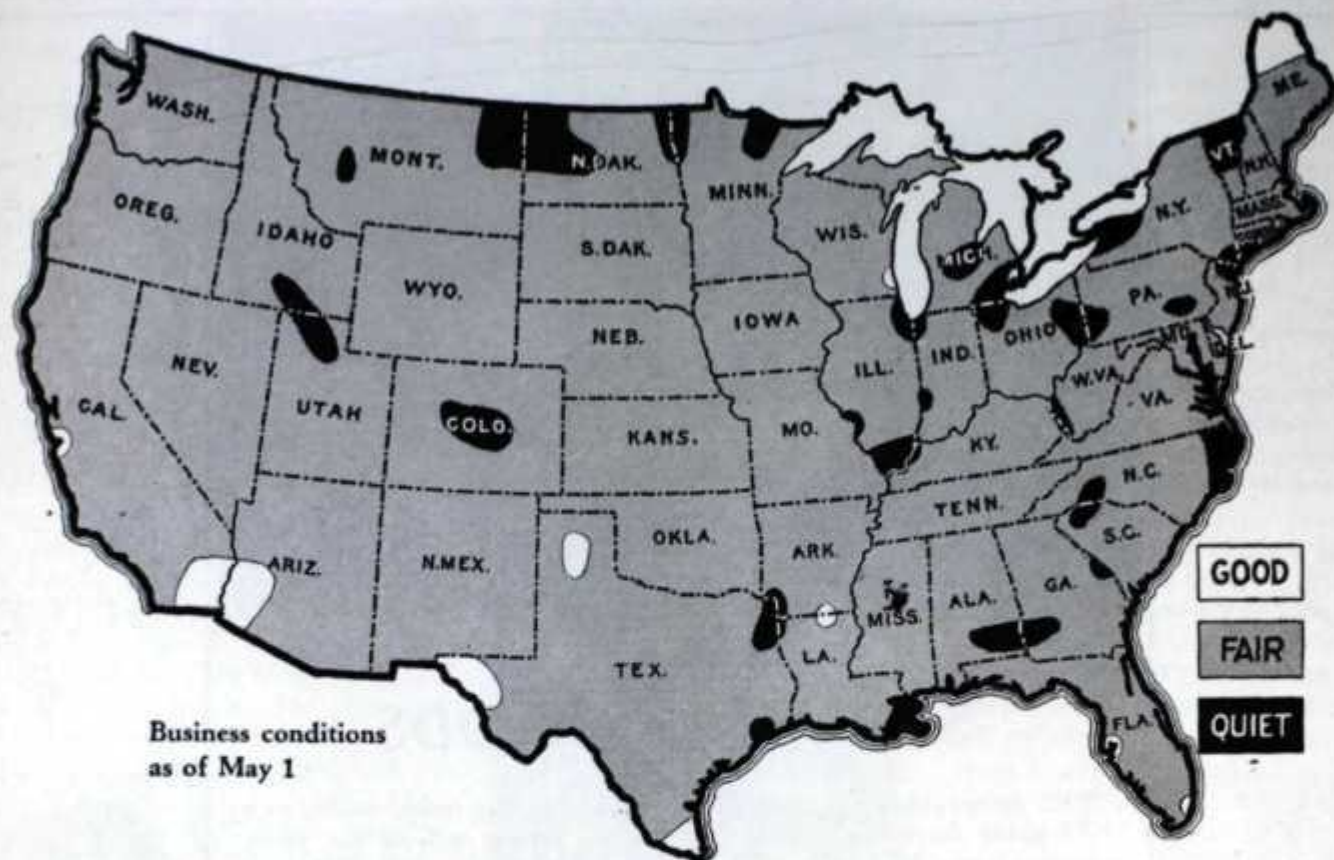
## THE MATERIAL OF A THOUSAND USES



# The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's



**T**RADE, industry and, for that matter, finance, saw rather mixed ruling during April and the early part of May. Prominent on the constructive side was the arrival of some, not all, perhaps, of the expected Easter buying at retail which helped to restore the balance lost in the March statistics by the late Easter. Then too, the advance of the season unlocked, in mid-April, the ice-bound lakes and northern water courses giving employment to hundreds of thousands of workers.

This, with the return of the farmer to his fields and the resumption of road work and other public improvements planned in state and nation during the winter, unquestionably set at work many other hundreds of thousands and put in motion many millions of expenditure.

It is doubtful if the volume of factory or other indoor work gained much,

**THE OPENING** of northern water courses employing thousands of men and the resumption of public work are factors on the constructive side for April and early May. Other factors entered in, however, to give trade, industry and finance rather a mixed ruling for the period

however, because the cotton and other textile manufacturing lines seemed to move tardily. Southern cotton manufacturing was curtailed; shoe, furniture and other factory production was held down; the copper mines faced by large stocks reduced work and wages as the three successive reductions in price were posted and the iron, steel and coal industries eased off with notable price mark-downs in the former industry's products.

The commodity price situation failed to show the hoped for hardening in

quotations of staples, the grains especially easing off as April advanced. Wheat returned to the low prices of early March.

The security markets fulfilled the cautionary predictions of those who asserted that easy money, although it facilitated stock speculation, was not sufficient to start a wave of new buying, of production and of consumption; hence the "secondary reaction" of late April and early May.

Despite the drawbacks, real and artificial, however, the trend in trade and outdoor industry was toward enlargement of earning power and presumably of expenditure for necessities by the ordinary person, which should go some distance to mitigate the fact, now more generally recognized, that inventories were larger at the end of 1929 than most people thought they were.

Bank clearings and debit totals showed smaller decreases than did





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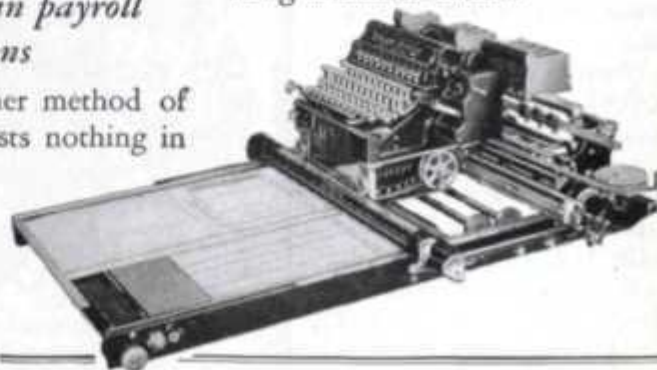
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earlier months but these indicators still showed evidences of warping due to the renewed activity in stock speculation. In retail trade, chain stores as a whole showed gains over a year ago, in most cases sufficient to offset the decline noted in March, the latter due to the later date of Easter. A somewhat similar result will, no doubt, be shown by department stores, due regard being paid to the fact that neither in trade nor industry taken as a whole is the volume done for the year to date equal to the like period a year ago.

### World prices run lower

ANOTHER feature, this of a sobering nature, has been the gradual growth of the public knowledge that other things than the stock market break last fall have to be considered in assaying the present and the future of trade and industry. One of these is that the reaction in prices of commodities has been worldwide and that this has necessarily been reflected in our foreign trade. One comforting reflection is that the present month will probably see the final settlement of the long drawn out tariff muddle.

Public interest in the stabilization of wheat prices has lost nothing during the past month. Early March prospects, it will be remembered, were regarded as favoring a large crop especially in the Southwest but early April saw complaints of need of moisture in most areas outside the Middle West. The government condition figure of winter wheat on April, 77.4 against 82.8 last year, reflected this, but rains from the middle of the month onward dissipated fears of actual crop failure.

Whereas the first few days of April saw prices about the highest since February, the first few days of May saw the reverse. The break in the stock market in late April and early May added somewhat to the bearish tone with the result that the low prices of late February were repeated and new lows in crop futures for the season were established. The following table shows the prices of No. 2 Hard Winter wheat at Chicago and Kansas City and of No. 1 Northern at Minneapolis at various dates:

	Low May 31, 1929	High July 29, 1929	Low Mar. 15, 1930	High Apr. 4, 1930	May 3, 1930
Kansas City	\$ .89	\$1.31	\$ .94	\$1.03	\$ .94
Chicago	.98	1.42	1.02	1.12½	1.00½
Minneapolis	.94	1.47	1.01½	1.09½	1.00½

All low quotations recorded since the weakness in March have been surpassed. The nearest comparison with the prices paid in early May of this year goes back to May a year ago when Farm Relief, government purchases for stabilization purposes and other methods of supporting prices were still in the future.

It may be submitted that the large stocks of grain in this country and Canada and the prices at which wheat was held, the latter discouraging to export trade, proved too much of a burden to allow of prices being supported in the manner the farmers hoped for. In any event the excess of prices in early May this year over late May a year ago is hardly sufficient to repay the farmers for holding wheat the year around.

As the situation now stands, wheat supplies exceed those of a year ago and the country is facing a good sized yield with European prospects, if not equal to a year ago, at least little below that

point. Early estimates of spring wheat planting in this country and Canada point to decreases from a year ago of about five per cent.

Special interest attaches to the results of chain-store sales in April since they are to be compared with the less favorable showing for March. The stores so far reporting for April, only 44, show a gain of 11.4 per cent as against a decrease of 1.9 per cent for the full list of chains reporting in March. On the probability that the stores yet to come will do as well or better for April than for March, a gain of 6 per cent for the four months is easily predictable whereas the first quarter's sales showed a gain of only 3.7 per cent for all stores reporting over a year ago.

When it is recollected that chain stores in April and the four months of 1929 gained 23.5 per cent and 23.7 per cent respectively over the like periods of 1928, it will be seen that the chains this year have not only held all of last year's gains but bettered them. Furthermore the prospect is that the gain in April over a year ago will exceed the loss in March leaving a comfortable increase, say four per cent, for those two crucial months over the like period a year ago.

Department-store sales for April gained eight per cent over the like month a year ago as against a decrease in March of 13 per cent, but for the four months the decrease in department-store sales is about four per cent.

Failures in April were the fewest since December, smaller in number indeed than in February, a short month although they were a record for April, exceeding 1922 by a small margin. April liabilities were double those of April a year ago and a new high record for that month, though slightly—nine per cent—below January. For the four months, failures were 16 per cent in number and 61 per cent in liabilities above a year ago but five per cent below 1922 in number and 7.7 per cent below 1924 in liabilities, these two earlier years being peak periods.

Bank clearings for April showed smaller decreases from a year ago than did earlier months. Thus bank clearings at all cities reporting decreased 6.2 per cent from April a year ago as



Commodity prices for April showed a decline for the seventh consecutive month and fell to the lowest point in nine years



J-M POWER CONSERVATION BRINGS LARGER PROFITS

# This INVESTMENT in J-M Insulations saves 51,000 gallons of oil annually

*The Lukens Steel Company, for 140 years a leader, finds new and important economies in scientific conservation of heat in the making of steel . . .*  
**NET YEARLY SAVING PER FURNACE—\$1,497.26**

THERE are few improvements in industrial plants which will show savings like these in proportion to the investment required. But such results can be achieved by the proper use of Johns-Manville Insulations.

The saving thus made at the Lukens Steel Company will be of interest to everyone in industry who is concerned with the use and control of heat. Wherever high temperatures are used, heat conservation means money saved.

The Lukens Steel Company was established in 1790. Always a leader, this famous old company has acquired a reputation as the producer of the largest steel plates in the world; these plates weigh about 90,000 pounds each.

After consultation with Johns-Manville Engineers, the Lukens Company insulated the regenerators of an open hearth furnace with J-M Insulation. Careful records of the fuel oil consumption kept before and after insulating show that the saving amounts to 1.7 gallons of oil per ton of steel. This is at the rate of 76.5 gallons for the steel used in each of the huge plates mentioned, with proportionate savings for other sizes. In dollars, this is an annual saving of \$1,785.00 per furnace. Subtracting annual charges for depreciation and interest on the insulation investment, there is a net annual saving of \$1,497.26.

*Sintering a layer of magnesia on the banks and bottom of the hearth.*



## J-M Insulations pay big dividends

Wherever energy is used in industry to produce heat (or cold) J-M Insulations are showing earnings that represent exceedingly high returns on the investment. Besides the cash savings there are always other advantages. J-M Insulations, by reducing radiated heat, effect a decided improvement in working conditions.

There are other benefits directly concerned with the process under consideration. Thus at the Lukens Company, with J-M Insulation on the open hearth regenerators, better heat distribution is maintained due to more even radiation, which assures more uniform temperatures. The insulation holds the fire brick walls at more uniform temperatures, which reduces the expansion and contraction of the brickwork, resulting in longer life of the regenerator walls.

We have outlined the experience of the Lukens Steel Company with J-M Insulations in a Performance Report which we will send without cost to any interested engineer or plant official.

The use of J-M Insulations and the advice of the J-M Engineer make it possible for you to deal with one organization in regard to all insulation requirements in your plant. Johns-Manville is everywhere recognized as the final authority on insulation. Our long experience is available to you without obligation. Why not consult a J-M Insulation Engineer?

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In every industrial establishment there are money saving ways to use Transite. It is a fireproof, non-corrodible building material made of asbestos and Portland Cement. Transite is used as roofing and siding, to enclose machines and boilers, for arc-batteries and scores of other purposes.



*Renewing checkerwork in checker chamber of Open Hearth Furnace at Lukens Steel Co.—Coatesville, Pa.*

## Johns-Manville

INSULATIONS FOR 400° F. BELOW ZERO  
TO THE HIGHEST INDUSTRIAL TEMPERATURES  
BARRIERS TO INDUSTRIAL WASTE



This trade-mark is also the stamp of quality on Packings, Refractory Cements, Asbestos and Asphalt Shingles, Built-up Roofing, Brake Linings, Industrial Flooring.

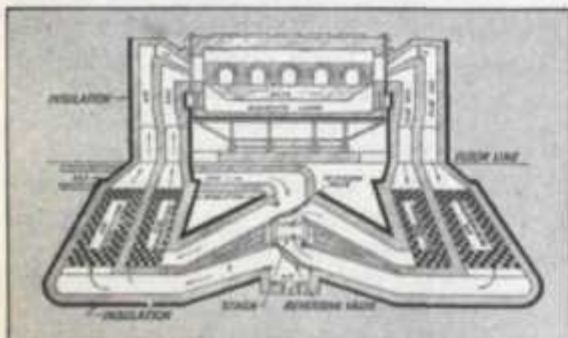
Address **JOHNS-MANVILLE**  
292 Madison Avenue, New York City  
If West of Rocky Mountains Address  
159 New Montgomery St., San Francisco, Cal.  
Canadian Address:  
Johns-Manville, Toronto, Canada.

☐ Please send without obligating me a copy of the Performance Report on J-M Insulations as used by Lukens Steel Company.

☐ Please have a J-M Insulation Engineer arrange to see

Name..... 1-42-4

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*Diagrammatic perspective cross-section of open hearth, showing J-M recommendation for insulating furnace, regenerators and flues.*

When writing to **JOHNS-MANVILLE** please mention *Nation's Business*



against decreases of 15.5 to 20.2 per cent from December, 1929, to March, 1930. Bank debits for April decreased 14.6 per cent from a year ago as against decreases of from 19 to 25 per cent from December to March. For four months, bank clearings are 17.4 per cent below a year ago and debits are 21.5 per cent off. Of course it needs to be recalled that both bank clearings and debits are susceptible of being markedly influenced by activity or lack of it on the stock exchange.

A disappointing element in April was the further weakening in commodity prices which showed a decline for the seventh consecutive month and fell to the lowest point in nearly nine years.

The index number for May 1 fell 2.2 per cent below April 1 and 12.9 per cent below May 1 a year ago while only three per cent above the post-war low point of June 1, 1921. Compared with the peak price for all time of February 1, 1920, a decline is shown of 47.6 per cent.

As illustrating the activity of the stock exchanges in recent months, it may be noted that the New York Stock Exchange sales of shares for April increased 34.3 per cent over the like month a year ago although falling 10 per cent below 1929 for the four months period. Bond sales on the other hand not only gained 24 per cent in April over the like month a year ago but increased 19.3 per cent for the four months period, this

latter being a reflection of the low rates for money.

Silk consumption is of interest because of something akin to overproduction reported in recent months. Returns compiled by the Silk Association of America showed a decrease of 22.7 per cent from April a year ago and the falling off for the four months period was 3.5 per cent. April takings by mills, in fact, are the smallest for 18 months.

### Foreign trade has decreased

FOREIGN trade returns for March, the latest obtainable at the date of writing, show a decrease of 23.6 per cent in exports and of 21.8 per cent in imports and the decrease in exports for three months is 20.1 per cent and in imports is 20.5 per cent with every group of commodities declining alike for March and for the three months period from a year ago.

Earlier decreases in car loadings foreshadowed reduced estimates of gross and net income on the railways. While car loadings for March fell off only 8.3 per cent, however, gross revenues decreased 12.5 per cent and net income fell off 37.3 per cent from the like month a year ago. For the first quarter decreases of 10 per cent in gross and of 32 per cent in net are indicated on a drop in car loadings for the like period of 7.3 per cent. Lighter loadings of cars is the reason assigned for the larger relative decrease in gross receipts.

April returns of automobile production already published showed a decrease of 31.4 per cent for March and of 31.9 per cent for the three months period. As to April, there is general agreement that the number of small cars produced will show up relatively better than will those of larger units and that for this reason alone the number of units produced will not decrease as heavily as in some earlier months.

Building permit values for the first quarter were 53.4 per cent below a year ago, cement production was 1.7 per cent off, anthracite coal production dropped 6.8 per cent, bituminous coal output 10.6 per cent, cotton consumption 16.5 per cent, crude petroleum production 3.7 per cent, pig iron output 14.7 per cent, steel ingot output 12.4 per cent and rubber consumption 18.3 per cent.

Among measures of movement showing increases for the three months period are gains in cigarette output of 3.4 per cent, in gasoline production of 7.1 per cent, in gasoline consumption of 12.6 per cent, and in electrical production of 3.2 per cent, a record for that period.

## Business Indicators

Latest Month of 1930 and the Same Month of 1929 and 1928  
Compared with the Same Month of 1927

	Latest Month Available	Same Month 1927=100%		
		1930	1929	1928
<b>Production and Mill Consumption</b>				
Pig Iron	April	93	107	93
Steel Ingots	April	97	115	104
Copper—Mine (U. S.)	March	88	135	101
Zinc—Primary	April	83	106	104
Coal—Bituminous	April*	103	107	98
Petroleum	April*	105	109	99
Electrical Energy	March	121	119	106
Cotton Consumption	March	79	98	87
Automobiles	April*	115	150	103
Rubber Tires	February	95	136	119
Cement—Portland	March	98	87	89
<b>Construction</b>				
Contracts Awarded—36 States—Dollar Values	April	79	107	111
Contracts Awarded—36 States—Square Feet	April	67	102	119
<b>Labor</b>				
Factory Employment (U. S.)—F.R.B.	March	92	101	96
Factory Pay Roll (U. S.)—F.R.B.	March	92	104	96
Wages—Per Capita (N. Y.)	March	100	102	100
<b>Transportation</b>				
Freight Car Loadings	April*	93	102	96
Gross Operating Revenues	March	85	97	95
Net Operating Income	March	65	103	96
<b>Trade—Domestic</b>				
Bank Debits—New York City	April	121	150	131
Bank Debits—Outside	X April	101	111	102
Business Failures—Number	April	111	103	92
Business Failures—Liabilities	April	92	66	72
Department Stores Sales—F.R.B.	March	99	108	100
Five and Ten Cent Store Sales—4 Chains	April*	113	102	100
Mail Order House Sales—2 Houses	April	138	137	99
<b>Trade—Foreign</b>				
Exports	March	91	120	103
Imports	March	79	101	101
<b>Finance</b>				
Stock Prices—30 Industrials	April	176	188	129
Stock Prices—20 Railroads	April	116	114	108
Number of Shares Traded	April	231	158	184
Bond Prices—40 Bonds	April	98	97	102
Value of Bonds Sold	April	87	68	100
New Corporate Capital Issues—Domestic	April	141	103	180
Interest Rates—Commercial Paper, 4-6 Months	April	95	144	108
<b>Wholesale Prices</b>				
U. S. Bureau of Labor Statistics	March	96	103	102
Bradstreet's	April	88	102	108
Fisher's	April	98	105	107
<b>Retail Purchasing Power, July 1914=100%</b>				
Purchasing Power of the Retail Dollar		64	63	62
Purchasing Power of the Clothing Dollar		61	60	58
Purchasing Power of the Food Dollar		67	65	66
Purchasing Power of the Rent Dollar		63	63	61

X Excludes Boston, Cleveland, Chicago, Los Angeles, Phila., Detroit, San Fran., and New York.

\* Preliminary.

Prepared for Nation's Business by General Statistical Division, Western Electric Co.



# A new Service Policy for Oakland-Pontiac Owners

WHEN you buy an automobile, four things are essential if you are to enjoy completely satisfactory ownership: The car must be designed and built right. It must be delivered to you by the dealer in proper condition. It must be inspected by the dealer during the initial driving period. And thereafter it must be inspected by the dealer periodically to make certain that it is thoroughly oiled and greased and all moving parts are operating properly.

The Oakland Eight and Pontiac Big Six are outstanding examples of sound engineering and careful manufacture. And the Oakland Motor Car Company through its dealer organization has made full provision to assure your enjoyment of these inherent advantages for many years.

Throughout the United States are thousands of competent Oakland-Pontiac service organizations. The efficient service they render has been of value to owners everywhere. And now, to provide an even broader, more helpful service, Oakland and its dealers have inaugurated a new Owner Service Policy.

When you take delivery of your car, the dealer will hand you this policy in printed form—backed by both himself and the Oakland Motor Car Company.

Under its provisions there is *no charge for labor or for parts* replaced under the standard warranty which covers a period of either 90 days or 4000 miles, whichever occurs first. And this service will be rendered by any Oakland-Pontiac dealer anywhere in the United States upon presentation of the owner's identification card.

There are other features of the policy which make for satisfaction from the start. Your car is thoroughly inspected, adjusted and lubricated before



being delivered. Then, during the initial driving period the dealer making delivery gives *two free inspections and adjustments* to make certain that all vital parts are working properly.

At the end of 500 miles he will give your car a road test; check and adjust the ignition, the carburetor and timing; inspect the lubricant in the engine, rear axle and transmission; adjust the brakes; and test and fill the battery.

At the end of 1500 miles there is another group of inspections and adjustments—which constitute a precautionary rechecking to insure satisfactory service. These include road testing; aligning front wheels; tuning the engine; checking and adjusting brakes, steering gear and fan belt; checking the radiator, tire inflation and the operation of lights; tightening all body and chassis bolts; testing and filling the battery; and giving the car a complete oiling and greasing. All of these operations are performed without charge except for the oil and grease used.

And finally, the dealer will provide, at regular 90-day intervals, the exclusive Oakland-Pontiac 3-Point Free Adjustment Service which comprises checking and adjusting the ignition, carburetor and timing.

This new service policy is still another reason why you should investigate Oakland or Pontiac before you buy any car in either price class. It provides definite protection to your investment. And it affords the best possible evidence that Oakland Eight and Pontiac Big Six are cars of high quality. For such a service policy could be applied only to cars that are soundly engineered and built of fine materials to exacting standards of accuracy.

OAKLAND MOTOR CAR COMPANY  
Pontiac, Michigan



# Back Seat Drivers of Business

By LESLIE A. DREW

Vice President, George J. Kirkgasser & Co.

ILLUSTRATIONS BY SYDNEY FLETCHER

**A**BOUT a year ago, a sickly sheet of blue paper appeared in my morning mail. It looked more like a bill of lading or a factory work order than a letterhead, but examination proved it to be an official communication from the Electro-Pneumatic Hickey Manufacturing Company. Its message, though poorly typed, was decipherable and read about as follows:

"We would like to have a representative of your company call as soon as possible to discuss advertising."

A telephone call fixed a definite appointment and the next morning Mr. Knowall and Mr. Newitt, respectively president and sales manager of the Electro-Pneumatic organization, welcomed me into their offices and explained their letter.

"Your organization has been highly recommended to us, Mr. Drew, and we believe you can do a job here which we need done as quickly as possible. We understand you have had much experience in straightening out the sales and advertising of companies like ours and we are confident that you can do the same for us. We need it.

## Too many "yes" men

"WE HAVE been in business—and advertising our products—years. In this time we have revised our selling plans many times and have had the counsel of several advertising agencies. These



"We feel that you have crowded things down our throats and that we have done the same with you"

**ALTHOUGH** Mr. Drew uses fictitious names and products in this article we have the feeling that he actually met Mr. Knowall and Mr. Newitt. Perhaps you have met them or perhaps you are guilty of some of the things they do

agencies sent various types of men to work with us; some good and some bad. As we look back, we find it difficult to put our finger on the reason these men failed, but we do know they were unanimously guilty of one thing. We have been 'Yessed' to death.

"We point this out because we know we have not made a success of our business—nor of advertising. We have made money. But our sales are decreasing year by year and our products are not known. Even the trade does not appreciate the value we build into them,

much less the hundreds of thousands of people who comprise our markets. Our line is known as 'cheap,' while in truth our products offer more quality, better performance and longer life with less maintenance than competitive items, even though ours sell for less money.

## Room for improvement

"WE FEEL, Mr. Drew, that you should analyze our whole set-up and tell us what to do. We want honest, unbiased recommendations and don't want you to be afraid to say 'No' when you think we are wrong."

It wasn't difficult to get enthusiastic about that assignment. And it did not take long to bring the basic facts to light.

Things to be done shaped themselves rapidly. We found much confusion in the trade. Many dealers did not know that "Speedex" and "Electro-Pneumatic" Hickeys were the same. It

was evident that changing a brand name required more than changing the labels on the merchandise. We also found that many dealers were openly hostile to our friends for any or all of the following reasons:

1. Speedex Hickeys were being sold direct by Electro-Pneumatic men whenever the opportunity presented itself.
2. Speedex Hickeys were being offered at a cut price in a large mail-order catalog without even the salve of a changed name to heal our trade's wounds.
3. For several years all Speedex



HORSE  
HEAD

UNIFORM QUALITY

ZINC

For Die=  
Castings



A pneumatic grinder, die-cast from an alloy of Horse Head Zinc.

*Speed* is the aim and the end of production. This pneumatic grinder rotates at 40,000 r. p. m.—a most advantageous speed for small-wheel grinders. An economic manufacturing speed, too, is maintained in the production of this grinder through the use of zinc base die-castings.

Die castings speed production, and thus help speed delivery and sales. And Horse Head—uniform quality—Zinc as the base of the die casting alloy assures uniform strength, uniform durability, uniform accuracy—uniform reliability of the cast parts.



THE NEW JERSEY ZINC COMPANY

160 FRONT STREET, NEW YORK CITY



Zinc Metal and Alloys • Rolled Zinc • Zinc Pigments • Sulphuric Acid • Spiegeleisen

*When writing to THE NEW JERSEY ZINC COMPANY please mention Nation's Business*



advertising had been for mail orders. "Send \$9.75 for this \$16.00 Speedex Hickey" was the heading of a typical advertisement.

As we waded deeper into the mess, we found so many things wrong that I couldn't help wondering how they sold anything. How could anybody "Yes" them into such a situation? How could any one let them appoint agents who sold how and where they wished, and established their own price schedule? How could anyone say "Yes" when they discontinued all advertising on their established line one year and spent that entire amount for mail-order advertising on a specialty?

What a chance to do a job! With all our facts in hand, I got the new Speedex plans into shape. The confusion in names was to be eliminated by using Speedex as the corporate name—Speedex Hickeys made by the Speedex Mfg. Company. Definite discount schedules were created. Definite sales policies were chiseled out. A sales manual was created so that Speedex men and Speedex dealers would know where and how to sell. New Speedex catalogs and sales literature were devised which not only told why Speedex Hickeys were worth more than they sold for, but by their very appearance made you *feel* that Speedex was quality goods. A new letterhead was designed to do the same.

A conservative advertising program was planned for five publications with attractive full pages that told a corking sales story—advertisements that would breed confidence and esteem by their atmosphere of quality. Then a cooperative dealer-manufacturer direct-mail program rounded out the promotion plans—direct-mail pieces carrying through the story of the magazine advertising.

### Good plans and doubters

THEN I showed the plans to Mr. Knowall and Mr. Newitt. They rubbed their hands and slapped their knees. Even young Mr. Bull (whose nine months of advertising managership for the Speedex organization was fortified by two full years as third assistant advertising manager for a large millinery wholesale house) injected complimentary remarks when he could.

Before the meeting ended some weighty decisions had been made. Steps were to be taken immediately to change the corporate name. The new letter head was to be produced at once. The new sales manual was to bloom before the new moon was half grown. Two of my men were to have the new literature



Bill Waters has always done our printing. He is a good man and gives us the best he's got

whirring from the presses before the sales manual was ready.

The next day the sales manager was to send a day letter to all his men telling them that their troubles were about to end. This last piece of strategy was decidedly against my wishes, but my "NO" was drowned in the deluge of enthusiastic jabbering.

Satisfied with all that had transpired, I gathered up the ad layouts, the direct mail pieces, the letterhead design, and the various other units.

"Can't you leave that material here for a day or two, Mr. Drew? We would like to go over it again and make sure there are no misstatements in the copy. Just leave it all together and we will give you a ring later in the week."

This idea by Mr. Newitt was immediately seconded by Mr. Bull and the meeting closed.

Thursday I called Mr. Newitt and found he was unexpectedly called to Davenport, but would be back Monday.

Monday, bright and early, Mr. Newitt called and said they would like to see me Wednesday. Couldn't make it Monday, had so many things to do after being away. Tuesday would have been O. K., but their New York man was in for that day and they were going to limit him to Tuesday, although he had planned to spend Wednesday at the plant too.

Wednesday I drove

out to the Speedex plant, wondering if my best client in Milwaukee really felt all right about my breaking our standing engagement for Wednesday meetings at his office. I had had no great trouble making him shift to Thursday for that week, but something in his tone over the telephone had me worried. I was still wondering when I was ushered into Mr. Newitt's office.

### The New York situation

"MR. DREW, I want you to shake hands with Hookus, our New York manager. Mr. Hookus has always been tremendously interested in our advertising. I thought you men should know each other and that we might go over our plans with Mr. Hookus for any suggestions he might have."

Hookus immediately launched into the New York situation and we got all the details of his problems, what was wrong with his men, why New York dealers are different, why the competitors are so firmly entrenched there.

"Are you fellows going out to lunch?" Young Bull saved my life with the question.

"Is Mr. Knowall going with us?" Hookus asked.

"No, he's playing golf this afternoon with Joe Geek, one of our competitors, and expects to get some dope on Geek's plans for next year. Wouldn't Geek get a shock if he knew what *we* are going to do?"

I spent almost two hours at lunch. The only bright ray was the announcement that Mr. Hookus couldn't be with us for the afternoon.

When we returned to the Speedex offices, Mr. Newitt invited Mr. Bull to bring in the advertising material. Bull heaped it on a desk while Newitt dictated two telegrams and answered a phone call.

"Mr. Drew, we have not been idle, although we have not been able to get together with you. Harry, show Mr. Drew the new letterhead."

Newitt turned from the phone as he spoke.

It was my first shock. Bull had placed in my hands a piece of green paper as cheap and sickly as the blue sheet I had suggested they abandon. Bull had turned our proposed letterhead, with its carefully designed lettering and delicate use of a touch



Mr. Knowall was playing golf with a competitor





## ABOUT TRUCK TIRES

*that no one but Goodyear can tell you*

If you want to know what truck tires handle each hauling job better, then here is the fact that you should know:

*More tons are hauled on Goodyear Tires than on any other kind.*

That is a plain, simple statement, without tricks. It means that more trucks have Goodyear equipment—more truck operators gladly pay their money for

Goodyear Tires than any other tires they could buy.

Why do they do it? They must find Goodyear Tires better fitted to their needs. They must find that these truck tires average better mileage. They must find that the All-Weather Tread gives better traction. They must find that this tread, and the Super-twist carcass combine to give longer life. They must find in the

Goodyear line the correct tire for every type of hauling job. They must find the dealer service better—and their records must show a lower cost per ton mile. Otherwise, it stands to reason, they would not use them year after year.

Are you using Goodyear Tires? If not, we suggest that you talk it over with a Goodyear Truck Tire Service Station Dealer now.

THE GREATEST NAME IN RUBBER

**GOODYEAR**

MORE TONS ARE HAULED ON GOODYEAR TIRES THAN ON ANY OTHER KIND

*When buying GOODYEAR TIRES please mention Nation's Business*



of green in the trade-mark, over to a second rate artist who produced the job for \$10. Bull announced the price with pride, as evidence of his canny business ability.

### Cluttering up the letterhead

IT was really a remarkable job, Newitt assured me. Much more complete than our design. Crowded under the Speedex Company name were two lines—one which told the world that this organization was formerly the Electro-Pneumatic Hickey Company, and the other which named each unit of the Speedex line.

I was crestfallen, but brave.

"No," I said, "that will not do. I am sorry you carried this so far. I wish you had shown me a sketch instead of having plates made and a proof pulled."

"Proof, Hell," Bull advised me. "We have 20,000 of those letterheads in stock right now. You have to get accustomed to speed if you're going to work with this outfit."

"Look at this!" Newitt turned the conversation.

In his hand was a sheaf of proofs.

"Mr. Bull has the sales manual well under way. He has prepared all the copy, using our old literature as a background and has found that many of our old cuts can be used. That's quick work, eh?"

He handed me the proofs.

One glance told the terrible story.

"No," I started. "No, that will not do. Your sales manual cannot be prepared from old literature. We'll have to get better, newer data and it wants to be a first-class printing job."

"What's the matter with this?" Newitt asked. "Old Bill Waters has always done our printing. I went to school with Bill as a kid and now we're his biggest customer. He gives us the best he's got. That's more than we can expect from most printers."

We talked on and on. My "No's" grew weaker and weaker. I said "No" to the subject matter, "No" to the cover stock selected, "No" to the style of type used, "No" to the kind of paper, and "No" to the method chosen for binding the leaves. It was wasted breath. How could anything be changed? Weren't eight pages on the press and more in proof form?

"Now about the ads?" Newitt again shifted the scenes. "Bull and I have gone over these, and have a number of suggestions to make. Mr. Knowall wanted to get in on this too, but unfortunately could not be here this afternoon."

Our layouts were draped over chairs.

The conversation raged on and on. A dozen ways for saying the same thing were discussed for each paragraph. Other subjects were considered to replace each ad as we surveyed it. The art treatment was thoroughly covered without Bull and Newitt being able to agree between themselves, much less with me. And then—

"Harry," spoke up Newitt, "show Mr. Drew your layouts."

Bull sneaked three layouts around a corner of the desk.

"Harry thinks we should show our products *much* larger," Newitt continued, "and has prepared these layouts to show you what we have in mind."

I had explained, pleaded and suggested . . . had tried every piece of diplomacy known with all the variations of saying "No." It was time for the show-down.

"Gentlemen," I said, "please tell me, am I to be held responsible for the results of this Speedex advertising?"



Mr. Bull had been third assistant advertising manager for a millinery house

"Absolutely!" Mr. Newitt answered with emphasis.

"Then, gentlemen, I think it only fair that I be allowed to produce this advertising. I realize it's your money being spent, and that you can insist on having anything you desire, but I am sure you will also agree that I *should* be allowed to sit in the driver's seat if I am to be responsible for the safe journey of this advertising machine."

My speech was only half a success. Bull nodded approval, but Newitt's face was red. So the meeting closed, except that I was asked to see Mr. Knowall the next day, as he wished to discuss the magazine schedule.

I could not see Knowall the next day, having to keep the postponed appointment with my best client in Milwaukee. So I telephoned Mr. Knowall Friday morning.

"Mr. Knowall has gone east for ten days," his secretary advised me. In those ten days the dynamic Mr. Bull found that Speedex men *could* supply a lot of new material for the sales manual, had two of my men go out and "whip it into shape," had the printer set all this new copy and tear down the approved forms which the new stuff replaced.

He also telephoned me that he had discovered several old mailing pieces of which they had printed too many three years before, and that he was going to save much time and money by using these as part of our new direct mail program.

The next Wednesday I kept my regular appointment with my Milwaukee client. Thursday morning a note was on my desk that Mr. Knowall had been trying to reach me all the previous day. I went out as soon as I had checked through my mail.

Mr. Knowall seemed a little hurt that he had not been able to get me the previous day. We talked golf. In a lull, I brought the discussion around to advertising.

### Substitute media

"BEFORE we get into that, Mr. Drew, I want to discuss the magazine set-up. I see that you suggest we use five books. Did you consider the *National Weekly*? I feel we will reach far more in that one book than we will by using the five books you list here."

Bravely I said "NO" to a change in the list, pointing out that the same expenditure in the *National Weekly* would only buy quarter pages in every fourth issue, against full pages in every issue of the books on my list.

I pointed out that quarter pages were not large enough to tell the story and would not give the "impression" we were seeking. But he was adamant.

Then he made a mental handspring and landed squarely in the middle of a discussion of the copy. For hours we talked. Finally he broke the deadlock.

"I tell you what we'll do Mr. Drew," he finally announced decisively. "You revamp these ads for *half* pages in the *National Weekly* and run only as many as our budget allows. I think that is a fair compromise."

Right there is where I made my mistake. I should have put on my hat and





VIDENCE of quality in a product comes with real use of that product. Proof of the power of advertising in rotogravure

will come only when you use the rotogravure sections of the nation's newspapers. Thinking about rotogravure will not apply its selling force to your product. Use rotogravure. Others do.

The Kimberly-Clark Corporation manufactures papers of different weights and qualities for use in publishing monthly and weekly magazines, package inserts, booklets, mail-order catalogs, catalog and magazine inserts, broadsides, house organs for black and white and color printing, as well as the majority of newspapers publishing rotogravure sections.



**Kimberly-Clark Corporation**

*Established 1872*


NEENAH, WIS.

CHICAGO: 88 S. Michigan Ave. LOS ANGELES: 510 W. 6th St.

NEW YORK: 122 E. 42nd St.



# Market *ahead*



Road maps make effective advertising guides. Interest in cities extends beyond their boundary lines. Rotogravure circulations follow good roads into constantly expanding areas. Fast moving automobiles carry an ever increasing number of shoppers over good roads into the sixty cities of North America where newspapers publish rotogravure sections regularly. Where you see a good road, there is a market ahead. Use a good-roads

map and rotogravure circulation statements in the study of your distribution, sales, and advertising. Just as the process of rotogravure provides you with the means for reproducing perfectly pictures of your goods, so may the power of rotogravure advertising prove to be the solution to present perplexing sales problems.

**Kimberly-Clark Corporation**

ESTABLISHED 1872

NEENAH, WIS.

NEW YORK 111 E. 42nd St.  
CHICAGO 8 S. Michigan Ave.  
LOS ANGELES 714 W. 6th St.



passed from that office never to return. Perhaps it was because I had been so thoroughly gassed. Possibly I was the victim of shock. Or perhaps I was thinking of all the time and money I had invested and that any billing was better than none.

In any event, hope is a hardy thing, as it is born in the breast of an advertising man, and I am going to credit hope with my actions in taking the Speedex campaign back to my office and putting it through as Knowall directed.

Six weeks passed. The first Speedex advertisement appeared in the *National Weekly*. It looked better than I had anticipated. So tucking a copy under my arm, I dropped in on the Speedex offices. Newitt had their Denver man in and merely waved to me from the fastness of his swivel chair. Knowall was playing golf.

Bull was checking over copies of the Speedex user's booklet just received from the printer, who was Newitt's boyhood chum.

It was another master stroke by Bull. Instead of the booklet we had planned, Bull's brain child was a reprint of one section of the sales manual, disguised with a different cover.

### And then came the end

FIVE days later a sickly green sheet of cheap bond paper appeared in my mail. It was an official communication from the Speedex Manufacturing Company. It read:

Dear Mr. Drew:—

We have always had the feeling that when any arrangement such as we have with your company becomes the least bit unsatisfactory to either party, a halt should be called immediately. We are, therefore, by this letter cancelling our agreement of December 1, 1928, and wish you would acknowledge same as effective at the earliest possible date.

We are doing this because we have been exceedingly disappointed in our contact with your organization. We have left every meeting feeling that you have crowded many things down our throats and that we have had to do the same to you.

Frankly, we are convinced that nothing can be accomplished in such a relationship as we have had, without a definite meeting of the minds and such does not seem possible in any degree.

Very truly yours,  
Speedex Manufacturing Company  
I. Newitt  
Sales Manager

"Yes," I said, "Yes," as I placed the sickly green sheet in my dictation file. "No" must be a foreign word."

## BUILDING A NATION-WIDE CHAIN OF AIRPORTS — —

Structures and facilities for Curtiss-Wright Airports Corporation and Curtiss-Wright Flying Service at fourteen airports, located in many parts of the country, are included among recent airport work completed or under construction by Stone & Webster Engineering Corporation.

**W**  
**BUILDERS and ENGINEERS**  
For the  
**BUSINESS LEADERS**  
**OF AMERICA**

CURTISS-WRIGHT FLYING SERVICE  
Mines Field, Los Angeles, California



**STONE & WEBSTER  
ENGINEERING CORPORATION**

A SUBSIDIARY of STONE & WEBSTER, INCORPORATED



# Nine Things That Kill Business Men

By HENRY WIREMAN COOK, M. D.

Vice President and Medical Director, Northwestern National Life Insurance Company

ILLUSTRATIONS BY BEN KIDDER

IN THE old days frightful plagues wiped out whole communities. Today, aside from influenza, there is small menace from plagues. But other diseases, dangerous because they defy community effort, are increasing. And business men are frequently encouraging the further progress of these diseases

**A** MOST significant change is taking place in the relation of the medical profession to the public, and of the public to problems of health and longevity. The medical profession is breaking away from its time-hallowed insularity and mysticism. Medical societies are appointing committees of public education and public relations. Physicians are beginning to bring messages of health and happiness to the laity rather than merely drugs and surgery directed to a belated cure of established disease.

More important still, the intelligent layman is eager for health guidance, rather than disease alleviation. The previous maladjustment, first, of the profession with its consequent limitations to drugging and surgery; and second, of the layman with his neglect of health and hygiene, and his pathetic appeal for medical or surgical help usually after irreparable damage was done, is one of the most tragic and wasteful errors of human relationship.

A recent study of life insurance experience shows that 18 years have been added to the average life expectancy in the last half century bringing it from 40 to 58. Nevertheless, 95,000 persons

die each year from tuberculosis, 15,000 children die of measles and 25,000 infants from summer diarrhea, to cite only three diseases.

## Spending a little to save more

YET THE methods of saving these lives are well known and have been demonstrated to be effective. As a nation we

spend, through organized public and private health agencies, less than 75 cents per capita to prevent illness. It is estimated that \$2.50 per capita, wisely spent, would enable these agencies to take full advantage of our present knowledge of prevention. Such a program would cost 300 million dollars a year. At present our national loss from illness and preventable death is esti-



If philosophy, medicine and industry unite in bringing order to our confused civilization they will increase health and happiness





**'A SYMBOL**

**AND A PLEDGE'**

Airplane view of the world's largest modern coal breaker. Looking northwest over Locust Summit, Pennsylvania.

In the rugged hills of America's richest anthracite region, the world's largest hard coal breaker is now at work.

A symbol of progress it is—a symbol of achievement so vast that it was undreamed of a few short years ago.

But more than this, the new breaker is a pledge. It is a pledge to the business men of the Nation that the battle against wasteful, needless smoke and soot is being carried on with new reinforcements. It is a pledge to American cities that civic pride in cleanliness and civic desire for industrial growth may go hand in hand. It is a pledge to our children that the air they breathe will be kept pure and healthful through the use of smokeless, sootless fuel.

And to this pledge our minds and energies are dedicated, as we prepare to take the next step in the greatest development that the anthracite industry has ever known.

THE PHILADELPHIA AND READING  
COAL AND IRON COMPANY



**THAT**

**BETTER PENNSYLVANIA  
HARD COAL**



mated by Homer Folks to be more than 15 billion dollars.

Communicable diseases, however, are now the least serious factors in our annual deaths. But the place formerly occupied by plague, yellow fever, smallpox, tuberculosis, cholera and summer diarrhea is now held by the chronic degenerative diseases of middle and later life (heart, kidney, and arterial degeneration, and cancer), and the alarming factor is that modern science and civilization are steadily losing ground in the fight against them. Furthermore, these diseases affect men and women in those decades between 40 and 70 when their education and experience should make the normal and full expression of their lives most enjoyable to themselves and most valuable to society.

### A shorter life expectancy

THAT a rapidly increasing number of men and women of brains, vision and culture falter and weaken mentally or physically at 50, 60, or 65 when the world could most benefit by their maturity, is the most tragic event of modern life. If this tendency continues during the next half century, our political, industrial and professional leaders will have an even shorter life expectancy after 40 than they have today. At present an adult has no increased life expectancy in comparison with 50 years ago, and probably even in comparison with 2,500 years ago. In fact, during the past eight years, there is evidence of a decrease in life expectancy for all ages from one year upwards.

To lower the increasing mortality rate from heart disease, high blood pressure, apoplexy, diabetes, and cancer, is today the major problem of medicine, not only from a health and mortality viewpoint, but as an important factor in the civilization of the next century. However, it is not a problem of medicine in the narrow sense of drug therapy or surgery.

These fields need no apology in the light of their astounding discoveries in bacteriology, immunology, surgery, and sanitation in the past half century, but they have proved powerless to stem the tide of chronic degenerative diseases.

So strong is the malign influence of our present methods of life upon



health and longevity, that even in several diseases where medicine and surgery have scored their greatest triumph, the mortality is still advancing year by year. As examples we may consider one in the field of medicine, one in surgery and one in which both

medicine and surgery have failed to lower the mortality curve: The discovery of insulin and the development of the dietetic treatment of diabetes are among the most brilliant advances of modern medicine, yet the increase in deaths from diabetes rises steadily year by year.

The surgical treatment of appendicitis is probably the most dramatic advance of modern surgery, yet the increase in mortality from appendicitis year by year equals the persistency of diabetes mortality.

The treatment of cancer by surgery, X-ray, and radium is an equally brilliant achievement, yet deaths from cancer are increasing even more rapidly than those from diabetes or appendicitis.

If medicine and surgery fail in controlling these three diseases, can we wonder that they have failed in heart, arterial, kidney and brain disease, each far more obscure, complicated, and far less amenable to successful treatment?



Modern environment, speed, noise and physical strain lead to heart and arterial disease

Medicine must return to its ancient and original association with philosophy if it is to guide the coming generations as helpfully in the conquest of these degenerative changes and other diseases due to faulty living as it has the present generation in the control of the communicable diseases.

The problem which medicine must face for the present campaign is one of guidance in eugenics; in physical hygiene and in psychiatric training for the child; and for the adult, a sane, balanced and satisfying physical, mental and moral life, adequately adjusted to his individual environment.

The need is more than one of longevity alone, for old age is not particularly to be desired unless accompanied by physical and mental vigor which permits happiness to the individual and service to mankind. Mere physical survival "sans teeth, sans eyes, sans taste, sans everything" is not alluring. Epictetus said, "To a longer and worse life, a shorter and a better is by all means to be preferred by every one."

Winslow says today, "If a prolonged life and increased vitality are bought at the cost of shorter vision and decreased joy in living, they would be too costly."

It may be worth while to review briefly some factors in modern life from the point of view raised by considering present unfavorable mortality trends:

1. Let us take up choice of ancestors. Heredity is undoubtedly the chief factor in longevity, virility and mental ability. Little instruction is given to the young on the subject of eugenics, and little attention is paid to what is given. High blood pressure, diseased arteries, heart disease, mental disease, have strong hereditary tendencies.

### Heredity less important

WITH the breaking of social barriers, the free mixing of young people of both sexes, and unrestricted and unadvised choice of mating, the hereditary effect of attention to family tradition in creating some of our best American stocks is being dissipated.

2. Modern environment with its speed, noise, constant nervous and physical strain also plays its part. No longer can we walk or





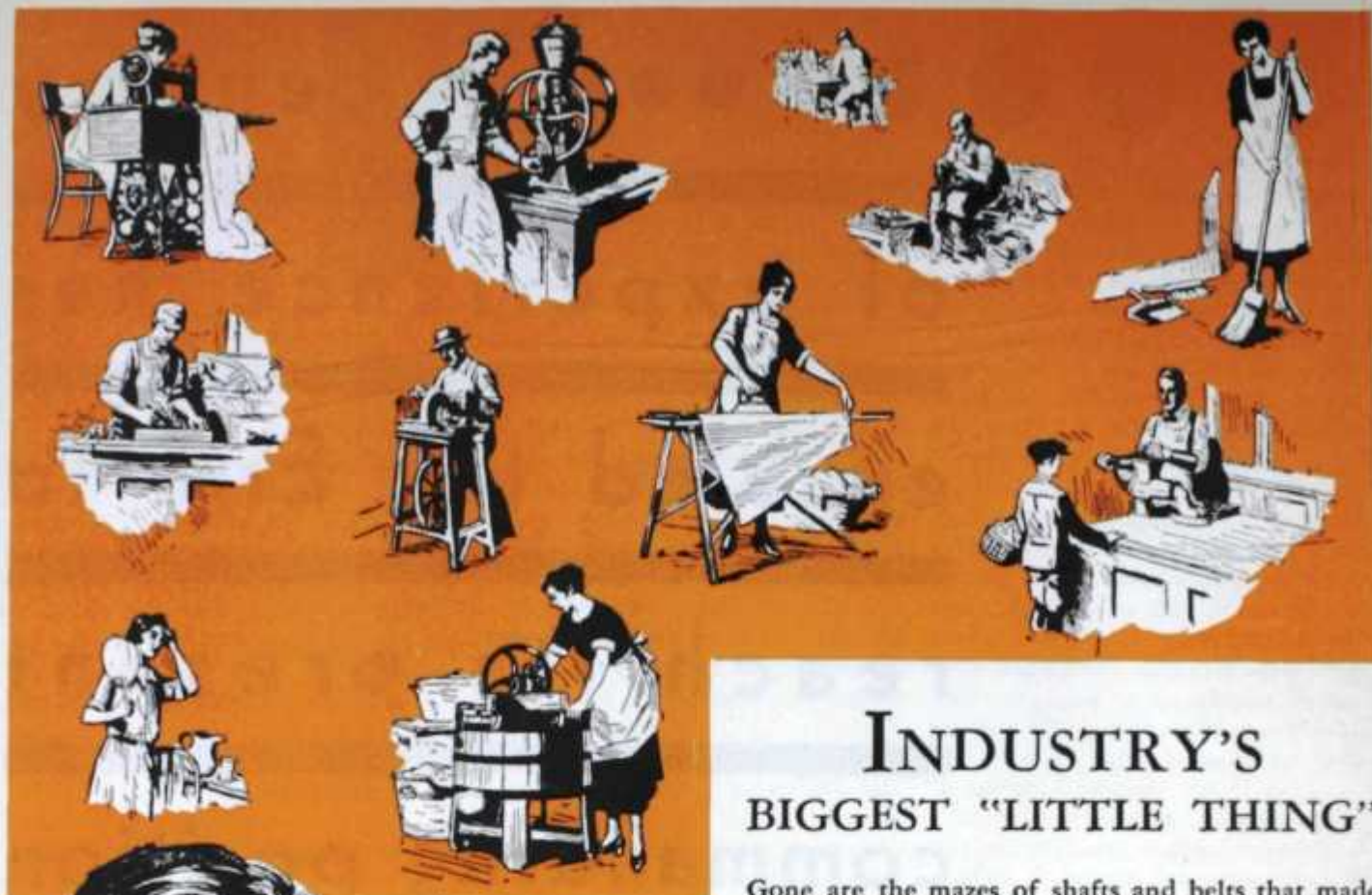
● ● ● ● ● ● ● ● A century  
of experience has  
enabled the Erie to  
reach its present  
commanding position  
in the field of trans-  
portation

The measure of a railroad's capacity to serve is its ability to meet any transportation requirement. The correct facility for every purpose is provided by The Heavy Duty Railroad.

**ERIE RAILROAD SYSTEM**

Route of The Erie Limited





*We cordially invite anyone interested in the manufacture or sale of fractional horsepower motor appliances to inspect personally our factory and facilities.*

## INDUSTRY'S BIGGEST "LITTLE THING"

Gone are the mazes of shafts and belts that made jungles of our factories. Gone is the day of hand-power that turned homes into workhouses and manufacturing plants into sweatshops.

Individual electric motors, fractional horsepower motors, have become the biggest "little thing" in business. They are speeding up processes, cutting costs, increasing output, banishing household drudgery. They are extending their benefits of time and labor-saving to added millions every year.

The part Domestic has played in the evolution of labor from the hand to the electrical machine has brought it the distinction of being the world's largest manufacturer of individually designed and built fractional horsepower motors.

Manufacturers in the commercial, household and industrial fields will find that Domestic will work with them on their problems of appliance design, manufacture and marketing like a department in their own businesses. They will find it especially profitable to consult with Domestic engineers when introducing new electric-powered appliances and devices, turning old applications to new uses, seeking to overcome service troubles and cut production costs.

**THE DOMESTIC ELECTRIC COMPANY**  
KENT, OHIO

*Courtesy Office—967 Union Trust Bldg., Cleveland, Ohio  
(172)*



**SMALL MOTOR MANUFACTURE • • APPLIANCE ADVISORY ENGINEERING**

*When writing to THE DOMESTIC ELECTRIC COMPANY please mention Nation's Business*



drive leisurely. Instead of going 60 miles an hour in an automobile or train, we go 125 in an airplane. Accidental automobile and airplane deaths are not the only deleterious effects of the speed age. It accelerates as well the normal aging process. Railroad engineers have always been especially liable to heart and arterial diseases. Today every man is his own engineer.

3. Modern, dry, overheated houses, offices and factories may be more comfortable but they are not more healthful. It is more healthful to accustom and harden the body to changes in temperature than to avoid all drafts or exposure. The object of modern ventilation is to maintain an even, usually overheated atmosphere—exactly the condition to weaken resistance.

4. The average modern man is more or less under the influence of at least two drugs daily—caffeine and nicotine—often three. The story is always well received of the man who lost his desire for longevity when his physician told him it was conditioned on giving up tobacco, coffee and alcohol. But today we are discussing longevity irrespective of this understandable preference.

5. We overeat, especially of meat and sugar, the effect exaggerated by insufficient outdoor exercise. Overeating is perhaps no more injurious than our hurried meals—time begrudgingly taken to supply fuel as one fills a car with gasoline. Quiet, interesting, cultured conversation has disappeared from our family or social meal times.

### Improper food and illness

YET WE know that normal digestion requires more than a sufficient quantity of food. There is a definite and necessary psychic element. The ill effects of constipation have undoubtedly been overstated by patent cathartic, food, and mineral oil manufacturers, and sometimes by physicians.

It is probably merely one, and a relatively innocuous, result of wrong diet, lack of exercise, and an unhygienic life which have much more serious results in appendicitis, gastric ulcer, dia-

betes, kidney, heart and arterial disease.

6. Regular physical exercises, baths and rubs, from childhood to old age were a daily part of a Greek gentleman's sacred observances. It is no wonder the Greeks attained to unexcelled national beauty and health. Subways, motor cars, buses, railways, elevators have eliminated for us exercise during the week. To put seven days' normal exercise into a Saturday afternoon or Sunday morning is probably more injurious—especially after age 50—than no exercise at all. Vicarious exercise at a baseball or football game where thousands sit comfortably and watch 18 or 22 men overexercise is a poor substitute for moderate participation by the individuals.

The growing custom of gambling in sport



This chart shows the death rate in this country per hundred thousand. Communicable diseases are now the least serious factors, but their place has been taken by degenerative diseases against which science and civilization are steadily losing ground

and social affairs carries the strain of business competition into the all too short periods allotted to recreation. It is, besides, a confession of inability to enjoy and appreciate the quiet and restful charm of nature or of congenial human intercourse. It is a part of our national prodigality in burning the candle at both ends.

7. The relationship between public and medical profession is unsatisfactory. There is an increasing feeling among laymen that it is extremely difficult to obtain for oneself or family competent medical service at reasonable cost. State and governmental control of medical practice is loose. The average layman is in no position to judge between the abilities of the various cults and schools, all of which are of necessity equally recognized under the law, nor between individual practitioners.

### For prevention

FURTHERMORE, owing to lack of adequate education, both lay and medical the average man consults a physician only when he is ill, and the average physician is almost wholly occupied in the treatment of disease. The proper time to

consult a medical adviser is before the onset of disease that the need for treatment may be avoided. Under a proper relationship between profession and laity, much the larger responsibility of the physician should be to know and instill correct habits of life so that disease may be prevented.

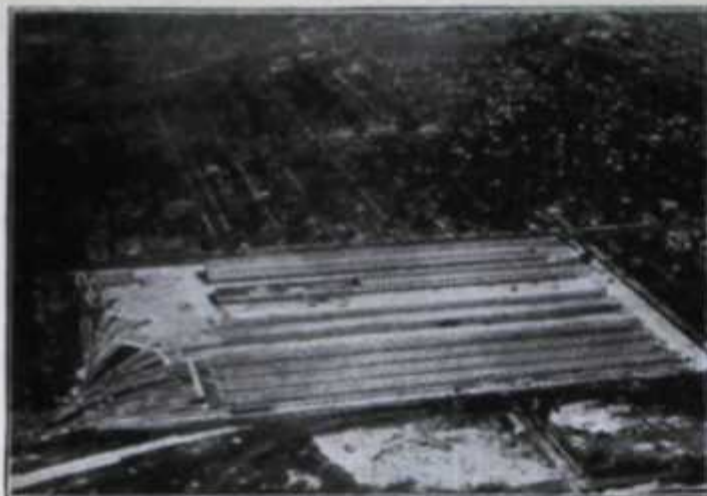
8. Our confused, superficial, and commercialized system of formal education is undoubtedly responsible for many of the mental derangements which have filled our asylums, and is also responsible for even more of the

social and intellectual maladjustments of modern society which have serious and far-reaching effects, but which may not reach the degree of institutional treatment. The criminal, the anarchist, the divorcee—common





## ROBERTSON STRIKES AT COSTS



*Aerial view of the \$5,000,000 Detroit Union Produce Terminal. More than 39,000 square feet of Robertson Protected Metal Roofing and 14,735 square feet of Robertson Skylights were used in this terminal.*

## THE LIMELIGHT

## IS ON THE

## PRODUCE TERMINALS

Railroad produce terminals have been coming into their own in a spectacular fashion in the past few years. One railroad after another, one group of roads after another, in one city after another, have been swinging into step. Models of efficiency have been created. Acres of floor area have been laid out. Miles of track have been built; great buildings erected; vast stretches of platform put under roof.

In Detroit, a \$5,000,000 plant . . . in Chicago . . . in Pittsburgh . . . all over the country new ones have been built, or new ones are planned.

In this field . . . as in most of the other construction fields where great things are afoot . . . you find Robertson in the thick of the developments, providing help with the ventilating problems, providing daylighting of unexampled efficiency, providing constructive cooperation in the prevention of corrosion and in the elimination of maintenance, providing especially a specialized engineering service in roof design and roof problems.

Serving as it does in so many active modern fields, the Robertson Company has piled up a valuable experience in industrial building construction. If you have any problems about buildings, write to the Robertson engineers for their suggestions.

H. H. ROBERTSON COMPANY · PITTSBURGH



Copyright 1930—  
H. H. Robertson Co.  
Pittsburgh

types of maladjustments in our social, national and family life—may often be the result of poor training and education, combined perhaps with other physical and emotional defects. Students are crammed with an heterogeneous mass of ill assorted information but given little true appreciation or wisdom. The aim is material success, not deeper understanding.

9. Spiritual uncertainty and unrest add their bit to the general condition. Lippmann in his "Preface to Morals" has well expressed the present confusion of ideals which tends to destroy that confident and serene background to life which is so essential to physical and mental health:

"The modern man desires health, he desires money, he desires power, beauty, love, truth, but which he shall desire the most, since he cannot pursue them all to their logical conclusions, he has no longer any means of deciding. His impulses are no longer parts of one attitude toward life; his ideals are no longer in a hierarchy under one lordly ideal. They have become differentiated. They are free and they are incommensurable. The religious synthesis has dissolved."

### A new philosophy of life

WHILE modern interest in health and hygiene may be interpreted as one significant illustration of a changing philosophy of life in which more primitive and supernatural religious beliefs are being supplanted by humanistic philosophy, nevertheless, the transitional period is leaving many without the spiritual certitude which formerly anchored their emotional life and guided their daily actions.

However, we may not be too impatient of the final flowering of any spiritual growth. Philosophy now has science as a guide and we may well hope for the evolution of a new religious synthesis in which the harmonious blending of the spiritual and the intellectual may bring a peace and an understanding heretofore impossible, and only held out as a provisional reward in a future life.

If philosophy, medicine, and industry sense this need for bringing order out of our present confused civilization and will contribute in a united effort sound thinking, science, and practical efficiency, may we not hope that the result will be expressed in the enhancement of human health and happiness, in an amelioration of unjust social relationships.

Surely this is a hope toward which industrial leadership may well lend the full weight of its interest and power.

# ROBERTSON

WORLD



WIDE

BUILDING SERVICE





## "What's AFTER those first few years?" —asks That Tough Old Tester, Time

Time, That Tough Old Tester, smiles a grim smile as he lets ordinary pipe run neck-and-neck with Reading 5-Point Pipe when first installed. Then Time, who always tells the truth, gets down to his age-lasting business of proving how long pipe REALLY lasts. Under his merciless tests, ordinary pipe soon falls by the wayside. But Reading 5-Point Pipe, Time's records show, goes on serving faithfully, year after year—resisting gnawing corrosion, leaky joints, breakage through metal "fatigue". Genuine Puddled Wrought Iron—the material of which this pipe is made—cuts down repairs and replacement throughout the entire life of a building, and endures from two to five times longer than ordinary pipe where conditions are most severe!

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READING IRON COMPANY, Reading, Pennsylvania

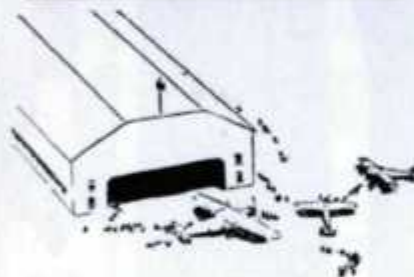
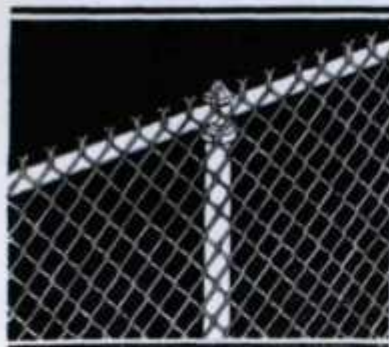
Use only Reading 5-Point Nipples with Reading 5-Point Pipe... you'll know them by the indented spiral band.

For Your Protection,  
This Indented Spiral  
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Science and Invention Have Never Found a Satisfactory Substitute for Genuine Puddled Wrought Iron





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*Chain Link fence*

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# On the Business Bookshelf

**O**UR INVESTIGATION of the complaint of a subscriber when his book was not sent within a reasonable time after placing an order brings out that many people are still sending loose money with their orders. Postal laws are very strict in prohibiting pilfering of mail, but occasionally money will get lost when mailed loose.

We urgently recommend that our subscribers pay for books by check or money order to avoid the inconvenience and irritation to both parties when cash is lost in transit.

THE author of "Banking Through the Ages" has now written "Epochs in American Banking," a work that is at once eminently readable and highly informative.

The founding of the first American mint under Governor Winthrop of Massachusetts, the founding of the Bank of North America by Robert Morris and others, the United States Bank supported so vehemently by Alexander Hamilton and just as vigorously assailed by Jefferson, and the expiration of its charter, the second United States Bank founded after the War of 1812 when it was evident that the nation needed a national bank and its final destruction by Jackson, savings banks, trust companies, clearing houses, national banking system, Federal Reserve—all make an interesting story well told by Mr. Hoggson.

STANDARDIZATION has long been practiced in industry, but only recently has it been consciously striven for.

Making of munitions during the World War brought about a high degree of standardization and demonstrated to industry for the first time the vast economies that could be effected thereby.

Publication in 1921 of the report of the Federated American Engineering Societies, "Waste in Industry," aroused further interest in ways and means of increasing industrial efficiency.

Mass production in America, coupled

<sup>1</sup>Epochs in American Banking, by Noble Foster Hoggson. The John Day Company, New York, 1929. \$5.

<sup>2</sup>Industrial Standardization. National Industrial Conference Board, Inc., New York, 1929. \$3.50.

<sup>3</sup>The Labor Banking Movement in the United States, prepared and published by the Industrial Relations Section, Department of Economics, Princeton University, 1929.

with other post-War developments, almost forced standardization. The rapid growth of trade associations and mergers here, and the renewal of the cartel movement in Europe, made readily possible standardization and simplification throughout entire industries.

The present book of the Industrial Conference Board has a twofold purpose, first to present a concise and comprehensive description of the working structure of the industrial standardization movement, and second to examine the numerous economic advantages claimed for standardization.

We heartily recommend this report to students of the subject.

THE first labor bank opened for business in May, 1920. Six years later, 36 labor banks were in operation. Last July—the latest current reference date in the present volume—only 22 remained as labor institutions. It would seem, then, that a history of the movement might well be written. Just that has been done at Princeton.<sup>3</sup>

## Recent Books Received

**Ads. and Sales**, by Herbert N. Casson. The efficiency Magazine, Kent House, 87 Regent Street, London, W. 1. 5/-.

**State Income Taxes**, volume 1, historical development. National Industrial Conference Board, Inc., New York. \$2.

**Roadside Development**, by J. M. Bennett. The Macmillan Company, New York. \$5.

**City Planning**, edited by John Nolen. Second Edition. D. Appleton and Company, New York. \$3.50.

**Investment Trust Organization and Management**, by Leland Rex Robinson. Revised Edition. The Ronald Press Company, New York, 1929. \$7.50.

**Invention and Society**, by Waldemar Kaempffert. Number 56 of the "Reading with a Purpose" series. American Library Association, Chicago, 1930. 35c.

**Cooperative Marketing of Agricultural Products**, by Newel Howland Comish. D. Appleton and Company, New York. \$3.50.

A SURVEY of the movement with future prospects under the Federal Farm Board.

**Cooperative Retail Buying Associations**, by Willford L. White. McGraw-Hill Book Company, New York, 1930. \$3.





## Theirs is a *Ten-day Week*

THE five-day week may be the thing for labor, but what most executives need today is a ten-day week. A conference in Toronto, an appointment in Wheeling, W. Va., the weekly meeting of the factory committee in Evansville, Ind., a three-day trade convention at Atlantic City. Now it can be done, easily, comfortably, in one week—the new Travel Air ten-day week for major executives.

An increasing number of progressive concerns are using the six-passenger Travel Air cabin plane to transport their directors and executive officers on missions of importance. Swiftly and safely, Travel Air carries them cross country with a minimum of time out for travel. Powered with a 300 h. p. Wright Whirlwind engine, this luxuriously furnished monoplane has a cruising speed of 110 m. p. h., a range

of 430 miles. Another model, powered with a 420 h. p. engine, flies even faster and farther.

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# TRAVEL AIR

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# Getting the Weather You Want

By Dr. FORD A. CARPENTER

Consulting Meteorologist



MOST of us think of weather as something that happens to the just and unjust alike. Science, however, is proving that climate on a given acre is as individual for that acre as the trees growing upon it. "Interesting to the farmer," you say, "but how about me? I run steel mills." Even so, weather information can help you

**W**HEN the average citizen first hears the title "consulting meteorologist," he says, instinctively:

"There ain't no such animal!" Then, being a practical fellow, he asks:

"What do you do?"

Those who take the trouble to read on will learn some of the answers to this question.

For 16 years I was the official "Weather Man" of San Diego, and for seven years held the same position in Los Angeles. When I set up shop for myself, ten years ago, my first client was the purchaser of 15,000 acres of land near Los Angeles.

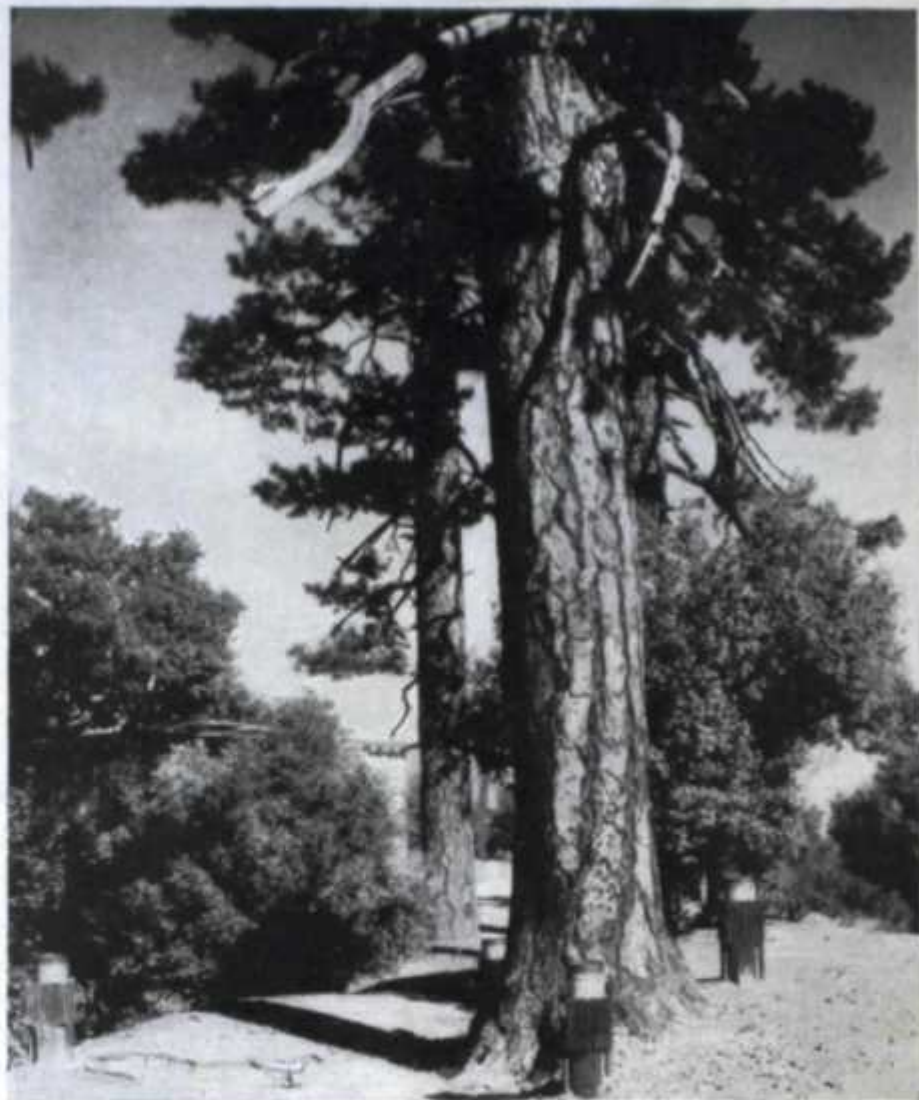
The new owner, president of a large New York bank, knew he had bought some fine land. But he asked, "What is it good for?"

It was the consulting meteorologist's job to find out.

At that time, the land grew chiefly barley, a crop raised without irrigation, and profitable as long as land is valued at general ranch figures. But would it produce more valuable crops? Irrigation was not practicable for this particular tract.

When the meteorologist goes to work on a problem like that, you begin to understand what he does.

His first step is to set up a number



Measuring fog and cloud drip. These four rain gauges showed that precipitation under trees is nearly twice as great as in the open

of automatic weather recording stations, in this case, at elevations from 12 to 1,200 feet above sea level. Each station was equipped to record temperature, wind direction and velocity, humidity, rainfall and sunshine. This was recorded day by day, minute by minute.

## Information for a year

THE meteorologist wants at least a "cycle" of one year before he begins to interpret the data his instruments yield. An excellent practice of the United

States Weather Bureau is to set a limit of eight years. Ten years are better for many problems, and, for this particular tract, there is now data extending back that far. For many purposes the meteorologist can tell important things in a year.

One of the first major facts imparted to the owner of the land, at the end of a year, was that certain portions of his tract had sufficient moisture to grow beans without irrigation. Beans were planted and immediately increased the profit from the land.

A little later, the data showed that



# Summer in the California that's centered by San Francisco —



*Where thousands came once to visit and returned again to live as they had only dreamed of playing — there surely you'll enjoy this summer.*

California. One day's lure is high-hilled San Francisco—the next your choice of half a hundred other places, down beside the sea or thrust by mountains into philosophic skies.

California calls you to a freedom of the body and the mind ... to a new luxury in rest, a new zest in play. Calls you from the high Sierra with its famous inns—Feather River Inn, Tahoe Tavern, Awahnee Lodge at great Yosemite;



*Halfdome , , , in Yosemite National Park*

tionland and part of it. A worldly, cosmopolitan part.

Here is headquarters city for the business of the whole Pacific Coast. Its fabled hills look down upon the towers industry has raised, and the bay within the Golden Gate where all the ships of the world could find shelter at one time.

Beyond, in each direction,

much closer than you'd think, you'll find this California's farms and orchards, mines and forests that are its backbone and its strength. You'll see the clean, bright towns and the streams of motors on the roads that speak its wealth. You'll see its brilliant future, one perhaps you'll want to make your own.



and from mountain lakes and streams, and Redwood forests; debonair Del Monte—Pebble Beach, where golf is played above a yacht-flecked ocean; and from San Francisco, with its secret of buoyant, joyous living.

San Francisco, America's coolest summer city. Right in the center of this great vaca-

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certain localities would grow early green peas and sweet corn. Owing to this climatic condition, such garden truck could be laid down in eastern cities ahead of Bermuda. This was one of the first times the West shipped such early vegetables to market. Since then, through expert study of climates as far down as tropical Mexico, green peas are in Chicago and New York as early as Christmas, head lettuce is on the table all year round.

### Local records needed

"BUT, here!" the reader may object. "If that land owner wanted to know what kind of weather prevailed in his locality, why didn't he consult the Weather Bureau records? Uncle Sam spends millions watching the weather in every part of his broad domain. Why hire a special weather man?"

That is just the point!

Uncle Sam deals with national weather. When you want to know the climate on your own farm, or in your own town, you discover that weather is an intensely local proposition, and that the fine records of the Weather Bureau will give you only a few general facts.

An analogous situation is found in maps. Every engineer bases his local maps on those issued by the United States topographical surveys, but he always hires a surveyor to mark the boundaries of his building site, highway or whatever the local project may be.

Special weather observations are necessary if you want to find out what



Studying the banner or scarf cloud above Mt. Ranier from an airplane

your personal, private weather is good for. Will your farm grow peaches, immune from frost? Where shall your town purchase 500 acres for an aviation field?

Climate varies so much in different parts of a township, or even a large ranch, that local weather observations are necessary. The consulting meteorologist finds clients because we are putting climate to many special and complex uses these days.

Aviation has given the consulting meteorologist a wonderful boost.

Much of his time is now taken up with investigations of airport sites.

It has been said that the airplane travels on a natural roadbed, the atmosphere, which never requires repairs. But some of that aerial roadbed is like good macadam, and some of it like dirt road. Safety and profit in flying depend on good routes, laid out by the meteorologist.

The consulting weather man must also provide the Grand Central Terminals and way stations for this air traffic. This branch of his calling shows how special and narrowly local a given climate can be.

The live American town of Anyville decides to have an airport. A committee is appointed to consider various sites, men who know property values, and which way the town is growing. Engineers can advise on the building of runways and hangars. Every point is covered except weather.



Dr. Ford A. Carpenter

But wind, rainfall, sunshine, fog, thunder and snow are vital factors in the success or failure of an airport.

### Temperatures affect dirigibles

SUPPOSE Anyville looks forward to a time when lighter-than-air craft will be dropping in, as well as airplanes. The landing of a dirigible is a complex performance. Because the gas in the ship expands rapidly with slight variations in temperature, the commander must know temperatures as well as wind pressure for every foot of the air over his landing place, from five to 75 feet above the ground. To prevent damage to his ship, he must have her eased gently into a berth of known temperatures.

That is one reason great crews are



The self-recording thermometer on the left keeps a constant record of temperature. The humidity apparatus checks moisture in the air



# THIS VALUE IS TYPICAL... OF THE WHOLE GREAT LINE

## TWO TON RANGE

### \$1545

Model T-30A... 11,000 lbs. "Straight Rating"  
(total gross weight, including load)... 2  
chassis and 14 types... price chassis f. o. b.  
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**G**IVE this truck a 225-250 mile inter-city route and it will cover it in daylight. It will do this now and two years from now with well over 100,000 low cost miles behind it—and plenty more ahead!

High-lights: a 76-horsepower engine that asks no favors of mud roads, soft fields, steep grades... fast getaway... powerful 4-wheel brakes... new steering ease... 6 9-16" frame with a unique "stress absorber"... sturdy

auxiliary springs... big, comfortable cab... all truck durability in axles, transmission, and every other part.

With 395 standard chassis and tire combinations, General Motors Trucks dominate every capacity from the 1/2-ton range to the 15-ton tractor range. This assures trucks so exactly suited to their work that a great new factor of economy operates for owners.

With a sharp eye for added profits, see these sensational values which only unusual advantages in engineering resources, manufacturing and purchasing could produce.

TIME PAYMENTS, financed at lowest rates available, through our own Yellow Manufacturing Acceptance Corp. Competent service, and full parts stocks everywhere available—when needed.

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MODELS... 33 CHASSIS  
... 118 DIFFERENT TYPES



(All prices given here, chassis only,  
f. o. b. Pontiac, Michigan)

1/2 TON	3/4 TON	1 TON	1 1/2 TON	1 3/4 TON OVER-PUMP	2 TON	2 1/2 TON	3 TON	3 1/2 TON	4 TON	5 TON 6-WHEELER	UP TO 15 TON TRACTORS
\$625	\$695	\$745	\$960	\$1265	\$1545	\$1845	\$2080	\$3035	\$3795	\$5885	

THE 1930 "YARDSTICK" OF REAL TRUCK VALUES

# GENERAL MOTORS TRUCKS

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used for landing and berthing dirigibles. More than 400 sailors were needed to handle the "Graf Zeppelin" at Lakehurst last summer. No machine has yet been devised which will respond like a crew of men, drilled to obey instantly commands to "Ease off!" "Haul in!" and "Walk the ship!" as the signals are given.

The men not only respond, but provide weight to counterbalance any buoyancy that arises in the ship through sudden change of temperature near the ground.

Therefore, the meteorologist, by measuring this factor at various proposed airport sites can indicate which has the evenest ground temperatures and freedom from gusty winds and electrical storms throughout the year. A properly selected airport will attract dirigibles. They will come to Anyville, because they can land there with safety, and economy—they will not need too many tons of men to assist in landing them.

### It saves in the long run

WHAT will it cost to make a meteorological survey of an airport site? It will cost several thousand dollars, because the apparatus to record the data, the time over which data must be gathered, and the technical ability to interpret the data, make this a truly expert job.

"Suppose we spend the money, but your report shows that our site is unfit for an airport?" the committee may ask. "What will we have to show for our money?"

The answer is that if they build an airport in an unfavorable location, aviators will discover what the meteorological survey would have shown. Then the money loss will be considerable.

Happily, the differences in local climates are so great, that a town can generally find a suitable site within its area. If one place proves unsuitable, it may be only necessary to go a few miles in another direction to find a satisfactory location.

Unfavorable conditions may condemn for dirigibles a site entirely suitable for airplanes.

As an airport site easily runs into a million dollars for land alone, the meteorological survey is a small item of preliminary expense, justified as insurance cost.

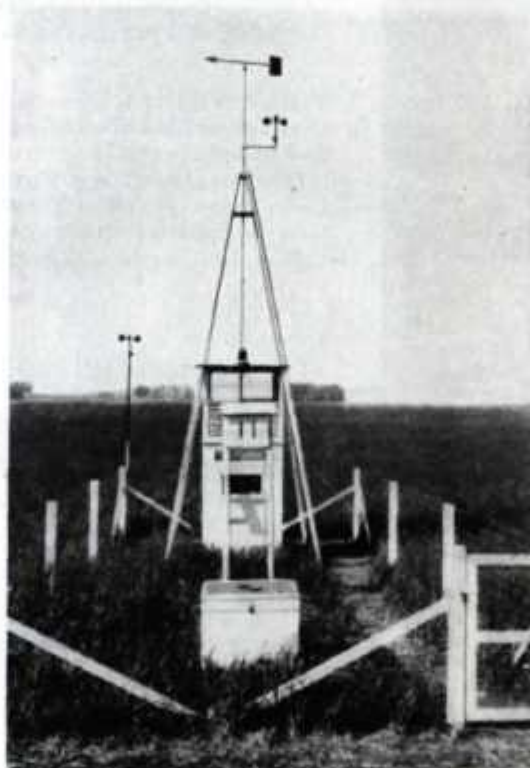
Why does good agricultural land frequently make good airport land?

The first thought a committee has, generally, when told to select 1,000 acres, handy to town, for an airport, is that a bargain may be found in land that has never been fit for farming. It may be just as unfit for aviation purposes.

Land is good for farming because, along with fertile soil, it has a certain balance of sunshine, wind, rainfall, air and water drainage, protection from extremes of heat and cold, and the like. That balance may be just right for aviation. Sometimes waste land is suitable, because it has the climatic balance, but deficient soil. Nobody knows until the local climate has been measured.

A consulting weather sharp also does other things. One of my first clients was the Los Angeles Chamber of Commerce. "Aha! a climate booster!" you exclaim.

Yes, I stand confessed as a climate booster paid to do a thorough job. But



This apparatus selected the official airport for Los Angeles

even in this there is a right way and a wrong way. The consultant in weather has to be exact.

One of my first chamber of commerce jobs, under the late Frank Wiggins, manager of the organization, was killing a popular superstition, about "earthquake weather."

On certain calm, hot, cloudless "Indian summery" days, the folks in California would say, "This is earthquake weather."

"If weather has any value in forecasting earthquakes, we ought to know about it," reasoned Wiggins. "If it hasn't, the people should stop frightening each other."

The records showed that earthquakes have no more connection with weather than has the moon, and also that Los Angeles had never had a death or a serious accident that could be attributed to an earthquake.

### A chamber that studied frost

ANOTHER interesting chamber of commerce job was done on frost, the enemy of the orange growers in certain winters, and certain localities, of the Southern California citrus regions. This is another excellent illustration of how limited the local weather may be.

Orange growers early learned that frost was a possibility nearly every winter, but as the dangerous temperatures prevailed only a few hours, on a few nights, they devised oil heaters to keep the air in the groves above the danger line.

However, frost was regarded as a general condition. When it came, it hit the just and the unjust alike.

Study of temperatures in different sections of the citrus regions showed that some places were several degrees warmer, or colder, than others; that some regions could be regarded as frost free, while others were likely to show damage even when the temperature took a moderate dip during the winter.

Not only would one neighborhood be colder than another on a frosty night but one spot in a single orange grove.

So much has since been learned about frost locally, that today land is planted according to susceptibility or immunity with the contingency of frost figured in the price of land and the operating expenses of the orange growers.

Recently, Uncle Sam established a frost warning service in California, based on Weather Bureau forecasts. These warnings are read over the radio every evening, so fruit growers may know what conditions to expect, each in his own locality.

When these names of towns were first read out, "Anyville 29 degrees, Everyton 25 degrees," and so forth, persons interested in the good names of their towns protested bitterly.

If Anyville was not on the frost list and Everyton was, the good people of



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Thousands of miles of highways are painted to make our traffic safer. More miles are added every day at a cost of from \$25 to \$50 a mile. Like the cars that travel them, many of these highways are painted with nitrocellulose lacquer, because it dries more quickly than other materials and is highly resistant to wear.

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In the last three years consumption of nitrocellulose lacquer and solutions has more than doubled, principally because manufacturers are constantly finding new applications for it that reduce their costs and improve their products. Lacquer is sold by paint, varnish, and lacquer manufacturers. They maintain research laboratories to aid in developing new uses for this product, and it may pay you to consult those who supply your finishing materials.

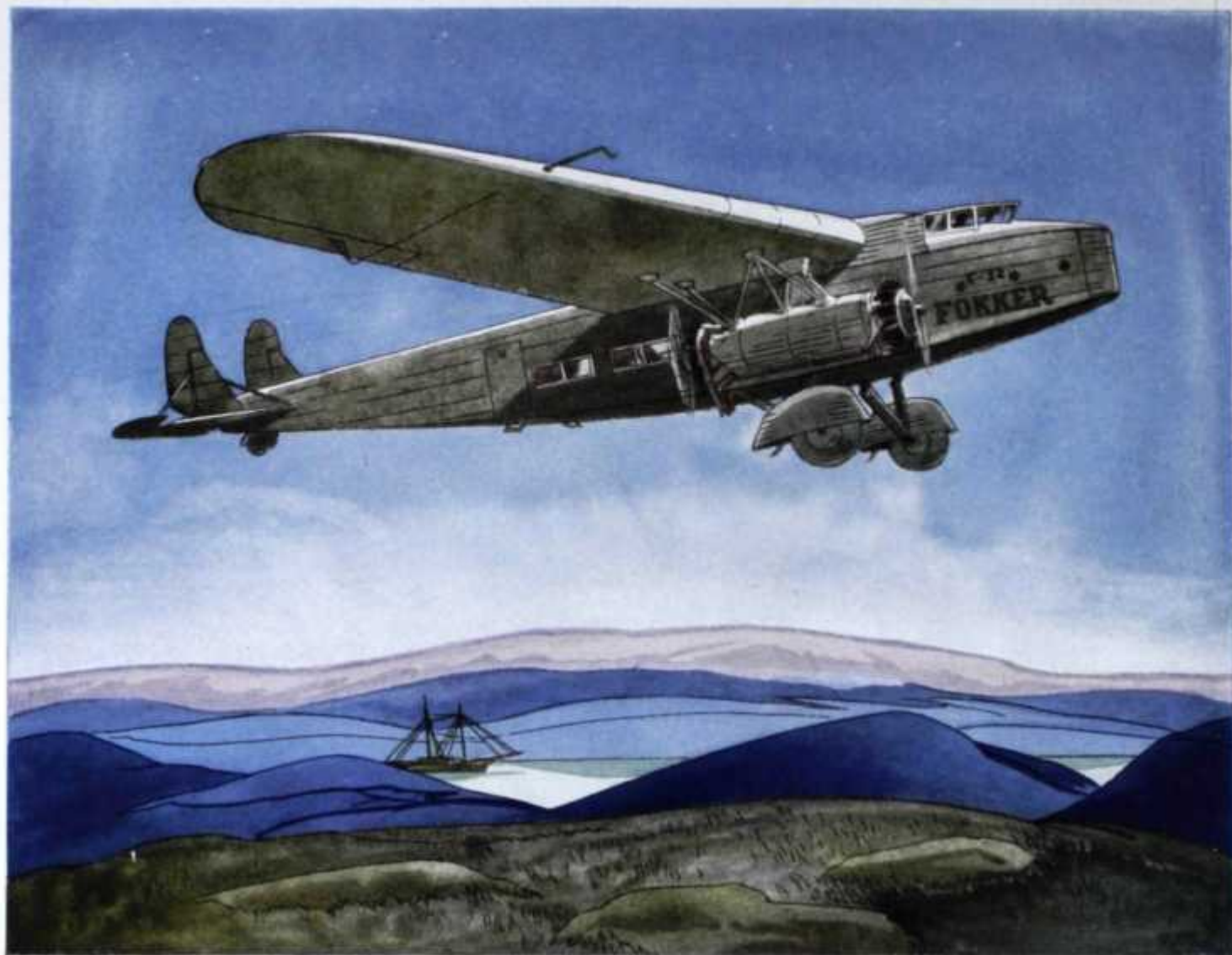
We will gladly send you a booklet, *The Story Of Modern Lacquer*, if you will write for it on your business stationery.

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never a serious mishap. A stupendous record, indeed, but based on the solid facts that Fokker has built more planes than any other manufacturer on earth, that Fokker planes have made twice as many of the famous pioneering flights as any other make of plane, and that Fokker genius and Fokker experience are now supported by the vast scientific and production resources of the largest industrial organization in the world. When you, therefore,

want to go somewhere speedily, enjoyably and safely, you will be wise to fly in this plane which has proved itself today to be the plane of tomorrow.

*For the use of business executives, for pleasure, and for transport use, Fokker now makes ten different models of airplanes: single and multi-engine types, land planes, sea planes, flying boats, amphibians. Requests for information or demonstration are invited, and will be promptly answered. Fokker Aircraft Corporation of America, General Motors Building, New York.*

# FOKKER

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the latter place suspected partiality. They said so, and were disposed to take the matter to Washington. The world was listening, and might get the idea that one town was cold, while another close by was not.

But suspicion died down as people learned that temperatures vary widely in spots no great distance apart, and that the frost warnings were made to protect them against those very differences.

### Poor thermometers and frost

WE FOUND that many differences in fancied frost susceptibility were really differences in thermometers.

On a cold night, when frost was feared, one grower stayed up, consulting his pet thermometer. It told him that he was safe. He did not light his oil heaters, and his oranges were nipped.

Naturally, the Weather Bureau was blamed for inaccurate forecasts.

But we found that the thermometers were wrong, and started a check-up, which showed that 94 per cent of growers' instruments were out enough to fool them. We certified the instruments that were found accurate.

How about developing a large tract of agricultural land?

For ten years I have been making observations on one 100,000 acre tract, at present only ten per cent cultivated, but now all mapped for citrus fruits, deciduous fruit, truck crops, general ranching, and so on. Sun, wind, frost and other factors are all plotted scientifically, so the owners know what is possible before they start enlarging their cultivated areas.

### What will yield the best profit?

THE important point is that the air above the ranch remains practically the same, whether the land is cultivated or in its natural condition. When one considers that it costs \$600 to \$800 an acre to plant citrus fruit in that locality, climatic surveys become essential so the owners may know in advance whether or not their land is suitable for avocados, lemons or oranges. The weather survey shows the owners what they can plant with the most profit.

In conclusion, attention should be drawn to one point:

The job of consulting meteorologist is not one to be lightly entered. It calls for technical training, wide experience, natural aptitude for corraling the facts, and knowing how to put them to work. It is not only a scientist's job, but that of a business man as well.



## WE PENSIONED THE PICTURESQUE Punka

IT IS OVER thirty years now since a famous London firm came to us to electrify the *punka*—that ancient one-servant power contrivance which was then the only "fan" which the destructive humid climate of India did not uselessly impair within a few months' time. The problem was not without its difficulties—but that was why it had been brought to us. We went to work with a will—and it is a matter of record that many of those first heavy-duty electric ceiling fans we built for our client are still giving good service—despite thirty years of corrosive tropic humidity and continuous day and night operation. Our archives are full of such achievements—which may explain why so many manufacturers face to face with "impossible" conditions, come to us for special application fans and motors.

*If you have a problem in electrical-motored machinery, come to Robbins & Myers. We offer you the facilities of a completely modern plant, and the experience of 32 years' precision manufacture in designing, building and applying electric motors, generators, fans, and electrical appliances*

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MOTORS, FANS, HAND AND ELECTRIC HOISTS AND CRANES



# THE BUSINESS OF AGRICULTURE

What is happening in farming as seen by the farm press

SELECTED BY

JAMES E. BOYLE

Professor, Department of Agricultural Economics and Farm Management, Cornell University

**C**OOPERATIVE marketing has been legally justified. It remains for it to justify itself, economically.

Legally, the door for entrance into the field of industrial organization is wide open for cooperatives.

But legal friendliness is not itself sufficient to guarantee the organization of farmers. Cooperatives are surviving or perishing because of the operation of economic principles, not legal ones. The great excuse, and the hope, for cooperative organization among farmers is that it will enable them to reduce the cost of distributing their products.

Savings thus effected may be apportioned to the producers of the commodity or they may result in the lowering of the price to the consumer. It is generally agreed that in many cases, the price which consumers are paying is sufficient to give the farmer a fair return, if so much of it were not used up in the round-about process of transferring it from the farm to the one who ultimately uses it.

There is then, no magic in cooperative marketing as such. If it is more economical than the present method of marketing it must be demonstrated by arduous attention to the details of the marketing process; such as grading and standardizing, packing, processing, assembling, storing, financing, transporting and selling. —*The Utah Farmer*



## ♦ Rural Education

A NATION that boasts of a national income of 90 billion dollars a year cannot afford to overlook the importance

of bringing educational advantages within the reach of all its citizens. This is particularly true when you consider that four million more children are born each year to the rural population than to any similar number that goes to make up our entire population.

I fully realize that this is considered by many a state problem but if we leave it to the state, some will provide for it because of their ability—others will not or cannot, and therefore it will result in the stronger states making progress and the weaker states making no progress at all.

Modern communication and transportation have knit every section of our nation so closely together that we can no longer think in terms of states. We are one large unit and we must look on our program of education as a national problem. This educational program should be worked out on a basis so that the nation as a whole would participate in the education of its future citizens.

—*Ohio Bureau Farmer*



## ♦ Are Farmers Using Radios?

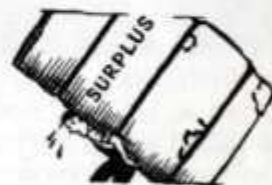
THAT farmers of the Pacific Coast not only make a better use of their radios than city residents but are demanding a more efficient radio service, is indicated in a cross-section survey of rural radio activities just completed by Carl J. Hansen in California.

According to the figures compiled, it is estimated that 78 per cent of the farmers in the Pacific Coast States own radios. Of this number 56 per cent use the radio for their market information which is broadcast twice daily. This information comes to San Francisco

through a leased telegraph wire system operated by the United States Department of Agriculture throughout the United States.

The consensus of opinion, according to 85 per cent of the farmers who replied to the questionnaire, is that the radio service should be enlarged and made more efficient. Complaint is voiced that station KQW is not powerful or strong enough and that market news programs, so vital to the business of the farmer, are drowned out by the jazz programs of the more powerful city stations broadcast for the entertainment of city residents.

—*Pacific Rural Press*



## ♦ The Cotton Surplus

IF ANY newspaper should continually print 20 per cent more papers daily than the public would buy at a paying price, it would soon run through its capital and have to suspend publication.

And if the farmers of the South continue to grow more cotton and poorer cotton by 20 per cent beyond world demand and production costs, they also by large numbers must go out of the cotton fields busted and needing some other employment.

That analogy presents the whole cotton problem in terms plain enough for a Darwin monkey to understand. But understanding the facts will not cure the situation. The facts have been understood for two generations of southern cotton growers, but each one of them has been his own optimist and hugged the delusion that other cotton growers elsewhere would act upon them, quit cotton or cut down their crops, and



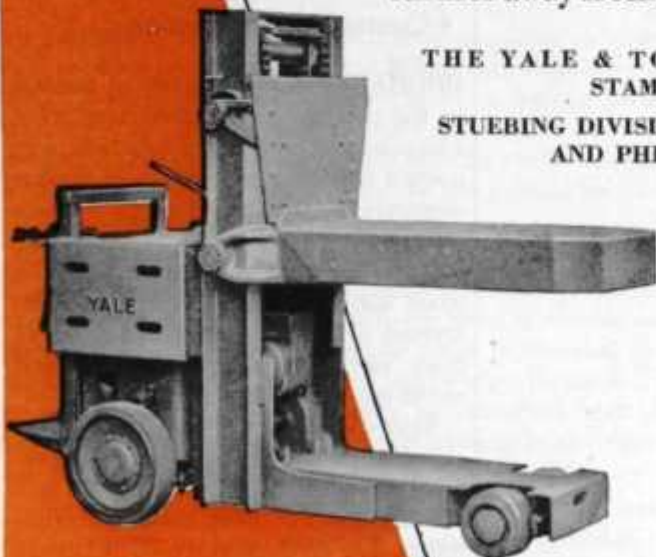


## A COMPLETE LINE

Manufacturers have been quick to realize the completeness of the line of materials handling equipment which Yale & Stuebing now have to offer. No longer is it necessary to buy just a truck and platform in a "hit or miss" fashion. You can select the type of equipment which will exactly meet your requirements from a complete line. What is your need—a hand lift truck—some inexpensive skid platforms—a low lift electric truck—a tractor—lift truck trailers—or what? Write us today to Dept. K 10 for information—our nearest representative is no further away from you than your telephone.

THE YALE & TOWNE MFG. COMPANY  
STAMFORD, CONN.

STUEBING DIVISIONS / CINCINNATI, OHIO  
AND PHILADELPHIA, PA.



TRADE **YALE** MARK

**Hoisting and Conveying Systems**

TRADE **Stuebing** MARK



# LOCOMOTIVE CRANES



How a locomotive crane saves money:

Switches the cars, unloads or loads them, and is right at the transfer point when you want it there.

Proved by hundreds of big industries to be the cheapest way to load, unload and transfer heavy, bulky, loose, or package materials.

**T**HE LORAIN 75 locomotive crane is built with the same sturdy, rugged turntable design as the Lorain 75 line of power shovels, clamshells, draglines, crawler cranes, and backdiggers—leaders in the contracting and excavating industry.

When you buy a Lorain 75 crane you get extra value for your money, made possible by the mass production of a complete line of material handling equipment.

**THE THEW SHOVEL CO.**  
LORAIN, OHIO

# LORAIN 75



therefore he would speed up, produce more and skim the cream of a high market. That has been perpetual history.

The only apparent cure for cotton infatuation is to let the incompetent cotton growers go on through to each one's breaking point and allow debt and hunger to drive him from the field. It is lamentable to have any staple industry going through that process of inanition; especially to be deplored in a section so dependent upon profitable cotton production for so much of its possible prosperities.

The law of supply and demand makes no appeal to many of our cotton farmers and the main hope for cotton prosperity in the South must be that the law of "the survival of the fittest" will work rapidly and restore a balance between the crop and a level of profitable market prices. —*Southern Cultivator*

## ♦ Saves 50 Cents; Loses \$14

A RECENT survey of farms in New Jersey shows that the average ten- or twelve-cow farmer who uses oleomargarine saves from 25 to 50 cents a week on his butter purchased and loses about \$14 a week on his milk sales.

—*Dairymen's League*



## ♦ Controlling Production

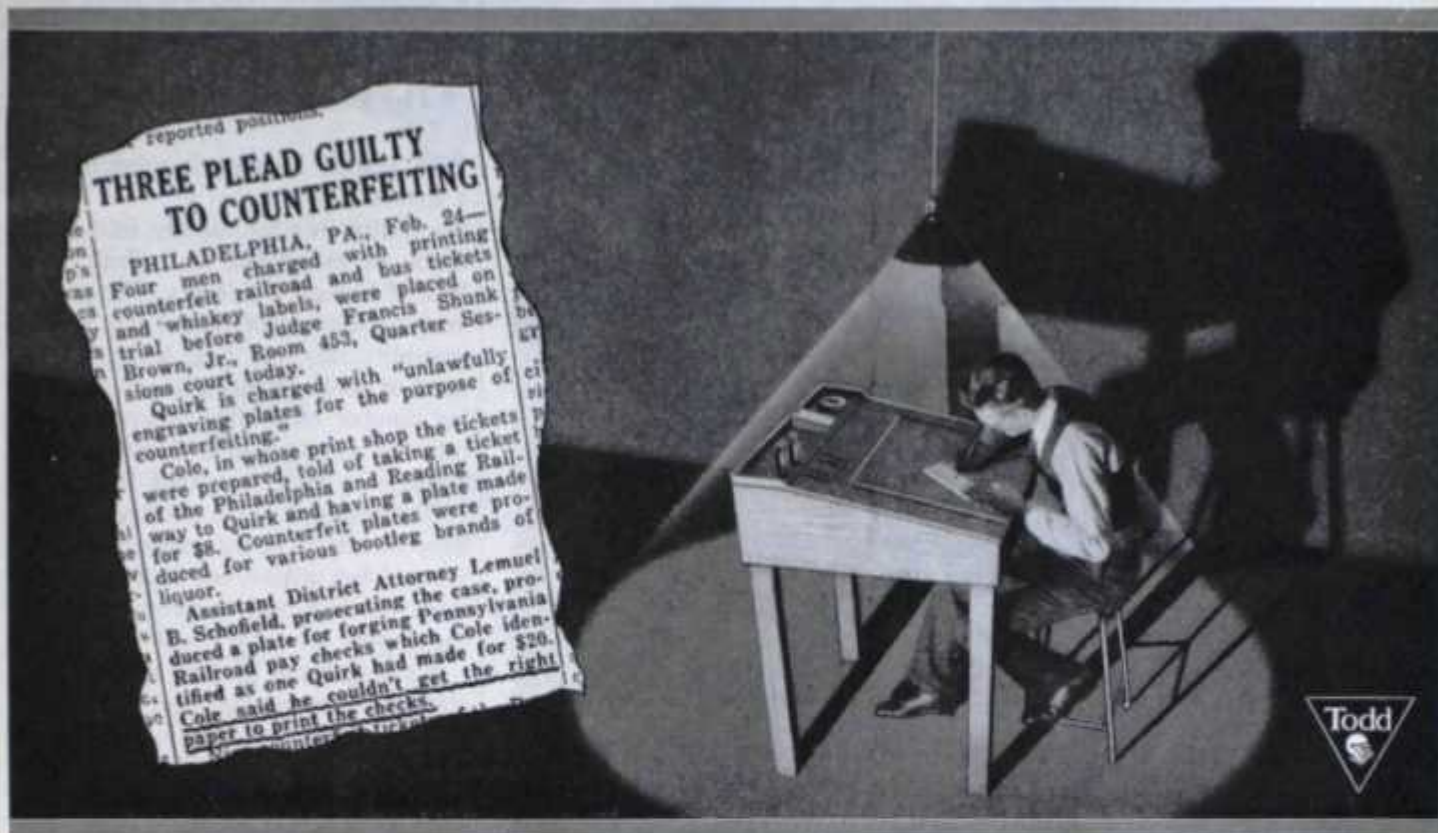
PROBABLY no other group of farmers in the country has demonstrated what cooperation can do in a practical way toward adjusting production to market demands better than League farmers during the past six months. Last fall, when a shortage was threatened, you stood shoulder to shoulder on an increased production program that more than met market requirements and saved the market for all dairymen.

Since January first you have been standing shoulder to shoulder on the reverse program of adjusting milk production down to meet market requirements. The production record of League plants during January shows an increase of only 1.3 pounds, whereas a year ago during January there was an increase of 11 pounds per day per dairy. The production record of League farmers delivering to dealers' plants is not now available but would undoubtedly show a similar result.

It is impossible to give ample credit



# HE COULDN'T GET GREENBAC CHECK PAPER ... AND NO CROOK CAN!



AN UNSCRUPULOUS engraver and a crooked printer combined to counterfeit railroad tickets, bus tickets and whiskey labels. With complete success. Plates were made to produce perfect imitations of Pennsylvania Railroad pay checks. But the printer "couldn't get the right paper to print the checks." Because all Pennsylvania Railroad pay checks are printed on Todd Greenbac Check Paper!

Greenbac will give *your* checks the very same protection. Throughout its production, it is guarded like money and handled only by bonded employees. Every sheet is counted and registered and all scraps are burned under supervision. It is made up on individual order into completely lithographed or printed checks and delivered only to accredited bank depositors, under seal. No man, whether crook or honest citizen, can possibly secure Greenbac check paper in blank!

And it is quite as difficult to counterfeit it or alter it. Greenbac's intricate pattern, consisting of interlocking designs in several colors, defies duplication. And if eradicator is applied, innumerable impressions of the word "void" flash forth to

cancel the check forever. So confident is The Todd Company of the security of its product, that a \$10,000 guaranty bond is furnished free with every order!

You'll find Greenbac Checks as attractive and distinctive as they are secure. For full information and samples, address the local Todd Office, or mail the coupon below. The Todd Company. (Established 1899.) *Protectograph Division, Rochester, N. Y. Sole makers of the Protectograph, Super-Safety Checks and Todd Greenbac Checks.*

THE TODD COMPANY, *Protectograph Division*  
1130 University Avenue, Rochester, N. Y.

6-30

Please send me further information about Todd Greenbac Checks.

Name

Address

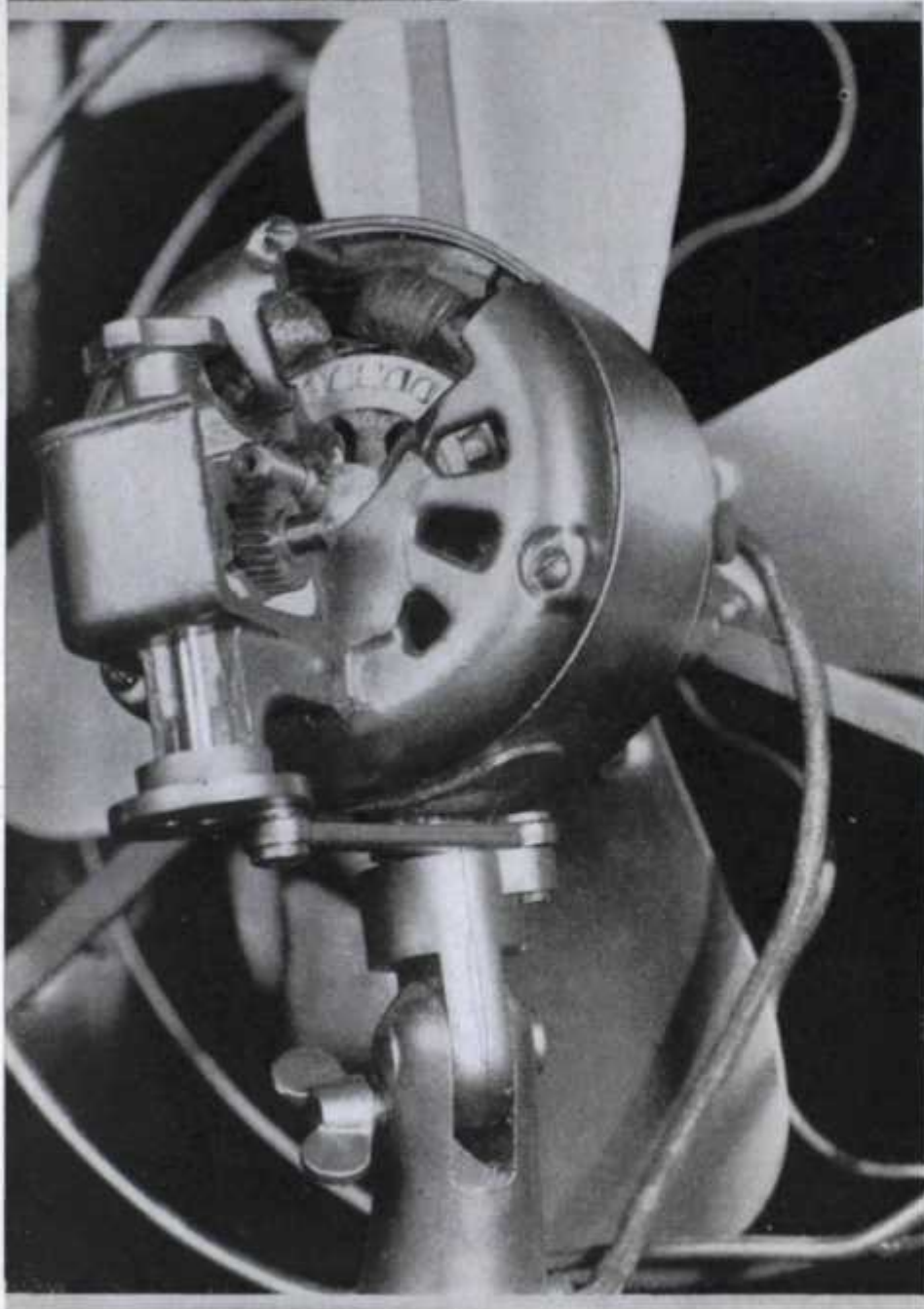
Business

## TODD SYSTEM OF CHECK PROTECTION



## Wagner Fans Stimulate Summer Work

When your own electric fan surrounds you with a stimulating cool breeze... consider the men and women in your organization whose work...both as to quantity and quality...will respond to the bracing comfort of circulating fresh air from a Wagner Fan...and don't forget that one fan is not enough for the family. The cut-away section shows the superior construction.



# Wagner, Quality

Your Wagner Fan dealers can show you how to use Wagner Fans to greatest advantage in office or factory and home.

**WAGNER ELECTRIC CORPORATION**

6400 Plymouth Ave., St. Louis

Sales and Service in 25 Cities

PRODUCTS . . . FANS: DESK, WALL, CEILING  
TRANSFORMERS: POWER, DISTRIBUTION, INSTRUMENT  
MOTORS: SINGLE-PHASE, POLYPHASE, DIRECT CURRENT

to the work done by the members on both of these jobs. In each case a careful plan was laid out and followed to the letter throughout the entire territory.

While other groups of farmers in other parts of the country have been talking about the very important proposition of adjusting production to market demands, League farmers have rolled up their sleeves and actually proved that it could be done. They are doing it.

—*Dairymen's League News*

### • The Poultry Industry's Problem

THE poultry industry is going through a spasm of production which is leading the poultry market rapidly into a condition of saturation, says Prof. J. E. Rice of Cornell University. The present mass production of chicks, the lowered mortality rate, the large-scale development of poultry housings, and the growing number of poultry raisers all indicate the approach of a situation which poultrymen should prevent if possible.

The problems of the poultry industry have increased as the industry has developed but science has kept pace with these troubles and overcome them as they arose.

So the greatest present need of poultrymen is economic and is largely due to the past success in production. The solution of the problem lies with the state or federal governments and will undoubtedly take the form of an index of information covering the present and prospective production and consumption of poultry products.

Present indications are that the price of eggs will drop during the coming season, and it is doubtful if feed prices will be reduced correspondingly. Competing food products have cut down the demand for eggs, but it is expected that newer knowledge of the food value of eggs will soon counteract this. The exportation of eggs started recently has increased at an encouraging rate.

It is difficult to forecast the situation far in advance since so much depends on the human factor. The poultry industry is sensitive to changes since the poultry farmer is able to adapt his output to the probable market more rapidly than producers in other branches of agriculture, according to Professor Rice.

—*Dairymen's League News*

### • Lower Cheese Prices

THE Southern Wisconsin Cheesemakers and Farmers Association recently met at Plattville, Wis., and passed a





## Saving Millions of Dollars

The effective way to fight fire is to get ahead of the fire and prevent it.

That also is the only way to keep fire insurance rates down. Reduce fire loss and you reduce the cost of protection.

Mutual Fire Insurance companies recognized these facts almost a century ago. Fire prevention has been the mainspring of their effort ever since.

If mutual companies had set up this ideal of conservation for the purpose of showing profits, it would be merely good business practice.

But the point is—and it should be of interest to every property owner—that mutual companies are not concerned

with profit but with saving—and savings are returned to policyholders.

For the individual policyholder in a mutual fire company this ideal has meant a saving of from 20% to 50% of his premium.

In total it has meant a saving of many millions of dollars a year—a fact of considerable significance to the business men of America.

Every property owner should thoroughly understand the mutual plan of insurance. A booklet will be sent on request with the assurance that there will be no personal solicitation. Address Mutual Fire Insurance, Room 2206-G, 180 North Michigan Ave., Chicago, Ill.

### An Unparalleled Record

75 leading, legal reserve companies under State supervision constitute the Federation of Mutual Fire Insurance Companies. The oldest Federation company was founded in 1752. Five others are more than 100 years old.

Of the remaining companies—

- 9 are between 75 and 100 years old
- 10 are between 50 and 75 years old
- 30 are between 25 and 50 years old
- 20 are between 10 and 25 years old

The Federation companies are protecting property to the extent of six billion dollars—have assets in excess of ninety million dollars—have returned to policyholders savings of more than one hundred and thirty millions of dollars.

# Mutual Fire Insurance

FEDERATION OF MUTUAL FIRE  
INSURANCE COMPANIES



## Giving Your Product Colorful Sales Appeal . . . . AT LOW COST

G. P. & F. Can Show You How  
To Do It . . . .

**T**HROUGH the use of pressed metals old products as well as new ones are emerging over night in polychromatic splendor . . . and winning public favor. Many manufacturers are securing this added sales appeal of color at low cost by using G. P. & F. stampings.

Whether it's a smooth satiny finish or a brilliant gloss you desire for your product, it can be imposed on metal "right off the press".

The 19-acre G. P. & F. plant is equipped with every known facility for producing quality stampings at low cost. Each G. P. & F. drawn or pressed metal part has a smooth surface which provides a finishing base permitting quick and economical application of paint, lacquer and other modern finishes.

Likewise in problems of design or redesign, G. P. & F. can save you time and money. With a background of fifty years' experience G. P. & F. engineers have been able to assist thousands of manufacturers in cutting down designing time and speeding new or improved products to the market.

Whether your problem is one of design, color application, better service or lower production cost, consult G. P. & F. There is no obligation.

**GEUDER, PAESCHKE & FREY CO.**

Sales Representatives in Principal Cities in  
All Parts of the Country

1371 St. Paul Avenue, Milwaukee, Wis.

# G.P.&F.

## STAMPINGS



When writing please mention Nation's Business

resolution asking retail merchants to sell American cheese at 25 cents a pound until the burdensome surplus is eaten up.

Dealers were requested to fix a price of 21 cents a pound to the retailers.

The Association also condemned the sale of butter substitutes in stores in Wisconsin, according to report from W. C. Hease, secretary.

—*Prairie Farmer*

### ♦ Farm Wants and Don't Wants

*Farm and Fireside* asked 13,431 of its readers throughout the country to give their views on some lively questions. Here are the results:

Seventy-eight per cent are satisfied with prohibition and oppose repeal legislation.

Eighty-one per cent oppose steps to make divorce easier to obtain.

Forty-five per cent say that farm magazines should not publish cigarette advertising.

Fifty per cent have no confidence in any law to relieve agriculture.

Eighty per cent are opposed to large-scale corporation farming, and think the family-size farm is sounder.

### ♦ Farm Relief by Lower Taxes

**TAXATION** is the greatest problem confronting the farmers of Pennsylvania. It is the first place to look for relief.

Pennsylvania is a great industrial state, one of, if not, the wealthiest state in the Union, with only seven per cent of its population engaged in agriculture.

If every industry would bear its just share of the burden of government according to benefits received agriculture would be greatly relieved. . . .

The most burdensome taxes are local taxes, raised for the maintenance of schools and roads. As long as a six to ten mill tax was sufficient for their maintenance there was no complaint, but when it requires a 50 mill tax on an already depressed industry they become unduly burdensome. Here I shall confine my observations to conditions as they exist in Schuylkill County. There may be similar conditions in many other counties. . . .

The purely agricultural townships with low assessed valuations in comparison to the coal townships have about 75 per cent of the road mileage of the county to maintain for the use of the county as a whole. Every village is incorporated in a borough, thus placing

the burden of maintaining the greater number of miles of roads entirely on the farmers, who constitute only about five per cent of the population of the county. . . .

With these readjustments and the assessment for taxes made on the income of corporations and individuals instead of on real estate, agriculture would enjoy the greatest relief and the burdens of government would be fairly and justly distributed.—**JOHN SHOENER**

—*Pennsylvania Farmer*

### ♦ The Growing Cooperatives

**THIRTY-THREE** per cent of the creamery butter produced in the United States in 1928 was made in farmer-owned or, farmer-operated plants. In Wisconsin more than 75 per cent of the output of creamery butter came from cooperative plants. Sixty-seven per cent of the creamery butter made in Minnesota was produced by cooperative associations.

The percentage of Vermont creamery butter produced by cooperatives in 1928 was approximately 50, and the percentages for some of the other states were: California, 44; Iowa, 43; Washington, 30; Michigan, 30.

Practically all the cheese made in Maine in 1928 was made in farmer-controlled plants, and 75 per cent of the cheese produced in Oregon was the product of cooperative enterprises. Some of the other states with high percentage of cooperative activity in manufacturing cheese are: Minnesota, 60 per cent; Wisconsin, 34 per cent; Michigan, 22 per cent; and Illinois, 20 per cent.

The farmer-controlled cheese factories reporting to the United States Department of Agriculture for 1928 produced approximately 28 per cent of all the cheese made in the United States during that year.

—*Ohio Bureau Farmer*

### ♦ The Drift to the City

**LAST** year 1,876,000 persons left the farm for the city. There was a backwash, from the city to farm, of 1,257,000 persons. So the net migration from farm to city last year was 619,000 persons.

The year before it was about the same. On January 1, 1930 our farm population was 27,222,000. Twenty years ago it was 32,077,000. The drift to the city is not peculiar to the United States; it has been going on in every country in the world for the past 30 or 40 years.



## Use Facts to Get Industries

By HAROLD J. MALLIA

**T**HE local Chamber of Commerce of Amsterdam, N. Y., a city of 30 or 40 thousand began a "Get a New Industry for Amsterdam" campaign about two years ago which has been responsible for getting the city two new and important industries.

Recently it succeeded in attracting another new industry there—The Twentieth Century Aircraft Corporation, which had had its plant in another New York town.

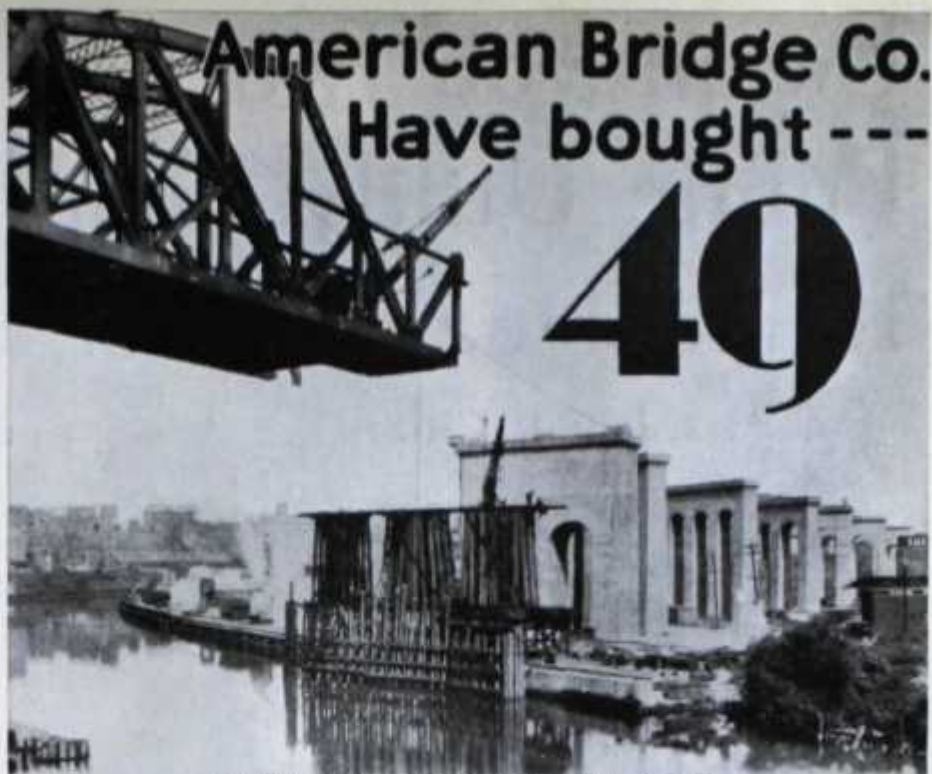
When Secretary Schenck of the local Chamber learned that the aircraft firm wished to obtain larger quarters, preferably located on the direct cross-state air line between Buffalo and Albany, he immediately recruited a committee of representative business men and, armed with the tools which had proved so effective in the past—statistics, plenty of persuasion and a comprehensive assortment of maps, blueprints, photographs and other data covering every conceivable phase of available plant sites—set out for an interview with the aircraft officials.

### No long haggling

THE interview with the aircraft officials there was brief but intense. Likewise fruitful. Secretary Schenck and his committee returned to Amsterdam with two of the aircraft officials. Within twenty-four hours, during which considerable ground was covered, verbal and otherwise, the aforementioned officials had leased two floors of a former knitting mill and announced that they would move their machinery and equipment here and begin operations as soon as possible.

The Chamber was materially assisted in its conquest by the fact that the city is situated on the air line upon which the aircraft firm desired to locate; too, the city had purchased land for an airport and is putting it in condition to receive and service planes as rapidly as possible this spring.

But be it remembered the Chamber possessed knowledge of available sites in its city and had the necessary machinery—compiled through long and intensive endeavor—to lure the industry desired and it knew how to use it.



*Cuyahoga Viaduct—Cleveland Union Terminals Co.  
Furnished and erected by American Bridge Co.,  
with four Industrial Brownhoist Cranes.*

World-famous for their ability to do the difficult as well as the ordinary erection job, it is a significant fact that the American Bridge Co. uses a large number of Industrial Brownhoist Cranes for handling their field work.

This company purchased their first Industrial Brownhoist in 1890 and the crane saw nearly forty years of active service. Since that time they have bought forty-eight additional machines for all kinds of work and ranging in capacities from five to one hundred and fifty tons.

Leaders of industry prefer Industrial Brownhoist locomotive and crawler cranes because of their dependability, fast operating speeds and long life. This preference has made it possible for us to build far more of these cranes than any other maker and to develop a type for every handling need.

The Industrial Brownhoist representative near you is a factory-trained man who devotes all of his time to handling problems. He will be glad to give you any available information which will help you reduce your handling costs.

**Industrial Brownhoist Corporation, General Offices, Cleveland, Ohio**

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago, San Francisco, New Orleans

Plants: Brownhoist Division, Cleveland, Ohio; Industrial Division, Bay City, Michigan;  
Elyria Foundry Division, Elyria, Ohio

# INDUSTRIAL BROWNHOIST



# "I want you Two Public Utility Gentlemen to meet each other,"

wrote Mrs. John K. Citizen

A MOVIE FOR PUBLIC UTILITY EXECUTIVES



1. For the third time Mrs. John K. Citizen received an incorrect bill from the Public Utility Company . . . including an overcharge which she did not owe.



2. For the third time Mrs. Citizen wrote a letter of patient protest. The third letter might justifiably have carried a few x's!! . . . but Mrs. Citizen is a genteel woman.



3. Then she gets two letters from the P. U. Co. —one from the Commercial Manager cancelling the bill. The other from the Treasurer threatening to discontinue her service.



7. "With this machine," said the Remington Rand man, "the Customer's Bill, the Ledger and the Revenue Abstract are made in one writing—reducing your 'commercial cost.'"



8. "This system of cross-indexing customers' names phonetically, by Soundex, prevents duplications and mailing mistakes; promotes better customer relations."



9. "This Powers Tabulator saves the big expense of keeping statistics indefinitely. It will quickly compile cost and revenue records to date for a year or two back."



## AND ALL OTHER BUSINESS MEN



4. This time Mrs. Citizen yawned. She pinned the two notes together, mailed them to the P. U. Co. with one of her own. It read: "I want you two boys to know each other!"



5. A communication so unusual naturally came to the desk of the President. It handed him a smile and a jolt. Being a man of action, he proceeded to act.



6. "Get your hats, boys," he said to the Commercial Manager and the Treasurer. "We're going to Remington Rand to see how other P. U. Companies handle their problems."



10. "You know the line of fretful customers kept waiting at your cashier's window. Remington Rand machines, by reducing bookkeeping confusion, saves their time."



11. "When customers receive mechanically proved and audited bills—with no room for complaints—they are FRIENDLY... even the meter reader gets a smile!"



12. "Drop over and give us your suggestions," said the President. "I'll be glad to," said the Remington Rand man. "I'll give you a frank and unbiased report."

**MORAL:** You no longer have to re-make your business to fit an accounting machine. You can now get an accounting machine precisely fitted to your business! Remington Rand offers you 72 types. Phone for a Remington Rand

man. He will study your needs and tell you impartially what machines, if any, will cut your office costs and give you better figure control. Remington Rand Business Service Inc., Buffalo, N.Y. Sales offices everywhere.

# Remington Rand

## ACCOUNTING MACHINES

... DALTON  
REMINGTON  
... POWERS





In the days of the old frame mansions families bought hardware

# The "Country Store" Comes Back

By R. J. ATKINSON

Former President, National Retail Hardware Association

CARTOONS BY J. D. IRWIN

★ IF YOUR potential market increased from two customers to 300 you might find it difficult to realize that sales possibilities had actually fallen off. This hardware merchant found that to be true and acted to meet a new condition that is not uncommon in business. When changing conditions closed his market he made another one

**T**HE hardware business is not what it used to be but in many ways it has more possibilities than ever before because of the almost unlimited field of merchandise it can draw from.

Near our store is a city block which has changed greatly since we started retailing hardware 30 years ago. This block seems to me to typify many of the changes which business has had to face.

Just two houses were on this block when we began business. They were old-fashioned frame mansions of the type built in the 'seventies and 'eighties. They had gardens and large lawns and each had a large carriage house with

separate apartments for the coachman and the gardener.

In this block today are three apartment houses. Instead of two families, nearly 300 families now live there, but, as far as hardware sales are concerned, we were much better off in the old days.

Each of these homes had a complete stock of tools. The gardener and coachman, in addition to their regular duties, served as general handy men for the upkeep of the place.

They had complete stocks of tools to keep the houses, stables and gardens in good order. They bought hose, lawn mowers, steel goods, paints, wire, stable tools and similar items.

The apartment houses today have no demands of this kind. The janitor of each has perhaps a saw, a hammer, a screw driver, a stepladder and a pipe wrench and the chances are that they are second grade tools, at that. As there are no lawns the market for lawn mowers and steel goods is gone.

The tenants buy no tools because they leave the question of upkeep to the owners. While these families do patronize the hardware store, their purchases are far different from those of the two families that formerly traded with us. Their purchases amount to as much or more in dollars and cents but force us to extend our lines greatly.

## Small stock of hardware

DRAPERY hardware, house furnishings, electric appliances, paints, auto supplies and shades are a few lines that have found their way into hardware stocks.

Lately we have added unpainted furniture, a salable item which also helps to increase the sale of enamels and





# Is your Package costing more than it should?

**A timely question in view of the economies made possible by improved methods and machinery**

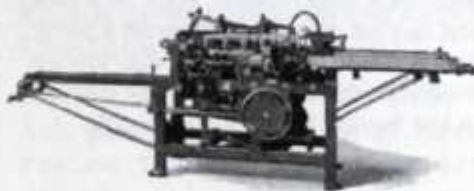
**N**EW economies, made possible by modern machines and improved methods of packaging, make it necessary for the manufacturer of package goods to definitely check-up on his present costs.

Constant improvement enables us to offer you, today, machines which produce marked savings in labor . . . increased production per square foot of floor space, through higher speed . . . and greater economy of paper and other wrapping materials.

These economies may run into thousands of dollars annually. In cases where other costs are rising, such savings in packaging are often instrumental in maintaining the sales price of an article.

By creating an entirely new type of package, the selling price of the goods can often be reduced. In this way one of our

customers recently succeeded in extending the sale of his product to an entirely new price field. His new package gives the goods as much protection as his former package, and makes a first-class appearance in every way. The popular price at which the product can now be sold, because of the savings in packaging, enables the maker to back it up with a strong national advertising campaign.



## *One of our machines that is producing large economies*

Our Model F-5 is widely used because of its versatility, its high speed and the economy it makes in wrapping materials.

It wraps cartons in printed wrappers, glassine, waxed paper or Cellophane, attaching printed end-seals.

By its method of folding on the ends of the package, and by the use of separate end-seals, this machine uses less paper than is possible with any other type of wrapping.

Requires only one operator, and produces 25,000 to 27,000 packages per day.

This is but one of a line of machines for wrapping a great variety of products.

Write for catalogue.

We will be glad to look into your present packaging methods to determine whether any savings can be made. Such a check-up obligates you in no way, and may result in important economies. Get in touch with our nearest office.

**PACKAGE MACHINERY COMPANY**  
SPRINGFIELD, MASSACHUSETTS  
NEW YORK · CHICAGO · LOS ANGELES  
LONDON: Baker Perkins, Ltd.



# PACKAGE MACHINERY COMPANY

Over 150 Million Packages per day are wrapped on our Machines



varnishes. If you are selling hardware and the demand begins to shrink you have to sell something else if you want to stay in business.

Despite these changes, every shop that attempts to function as a hardware store must carry a complete line of hardware even though with many it is no longer the money-making stock of the business.

What is true of this former residential block is largely true of our whole business. If a furniture salesman had come into our store 30 years ago and suggested that we take on a line of furniture, we would have smiled, politely I hope, and told him that we were in the hardware business and that furniture had no place in our store. The hardware store of today differs from the same store of 30 years ago not because the hardware man wanted the change but because the habits and tastes of the public have changed.

### General stores are growing

WE are largely going back to the general or what I may term the country store.

What was once the exclusive hat store now varies its line with an assortment of men's furnishings and the exclusive men's furnishing store stocks a complete line of hats. This is in line with the trend among storekeepers to supply as great an assortment of mer-



The old-fashioned carpenter who made everything, including doors and sashes, is rapidly passing

chandise as their capital will allow and their customers absorb.

Drug stores have always carried cigars but today the cigar store competes with the drug store by having a line of drugs, with the candy store by having a soda fountain and with the restaurant by having a quick lunch counter.

This makes it necessary to departmentalize rather sharply. If John Jacobson in charge of tools and Frank Hardy in charge of paints and varnishes are given responsibility and power to run their own departments, both in selling and buying, it is going to mean a better store. These changes in distribution were brought about largely by changes in the buying habits of the people.

One of the factors responsible for this change is national advertising. The customer knows the names of the more prominent advertisers and their products and when in need of any advertised item does not require dealer help in making the purchase.

The customer will buy an advertised clock in a drug store, a cigar store or a department store discounting the fact that a jeweler who sells clocks generally has a background of clock knowledge and information that might be helpful. The word of the soda dispenser is taken at the same relative value as that of the man who has made clock making a profession.

In hardware we have much the same experience. Many tools are sold in chain stores by young women clerks who have never used the tool they sell and are entirely unacquainted with its general make-up and scope of usefulness. They know its name largely because there is a sign on the bin where it is displayed.

The old-fashioned carpenter who made everything, including doors and sashes, and who demanded good tools, is passing. Good tools are still sold but the demand is falling off.

Although this kind of distribution provides a wider range of outlets than would result if distribution were confined more or less to regular related channels I wonder if much of the competition we hear so much about does not come from this system of merchandising.

### What cost volume?

DOES it or does it not have a tendency to shorten lines? Do the few prominent items displayed and made the big sellers of a manufacturer's line tend to invite the competition of other makers to those items? Does the endeavor to obtain volume cut the profits until they are fast disappearing or are the costs of selling and distributing these volume items assessed against the less known and more profitable ones?

When safety razors advertised as dollar razors are given away free with a 30 cent tube of soap something is wrong either with the cost or the selling price of the razor or the



If the man in charge of paints and the man in charge of tools are given responsibility to run their own departments, it means a better store





## To the theater ... in a 1910 flivver!

You wouldn't have the *nerve* to drive to the theater in a 1910 flivver! And you might never get there . . . or get back, oh no!

And yet, taxpayers in thousands of American communities, handicap their firemen by not giving them apparatus built to meet 1930 conditions.

Go to your fire house. Talk to the chief. Ask him how he'd like to have modern La France fire-fighting equipment. Ask him why the country holds taxpayers . . . not fire chiefs . . . responsible for fire-loss.

Fire apparatus of the long ago is no better for your business, your home and your loved ones, than the sperm oil lamp or the pony express. Talk this out . . . not over with every other business man you know. And write LaFrance to give you the story in detail. It costs nothing; saves much.



For 85 years American-LaFrance has held undisputed leadership . . . 90 percent of America's communities are LaFrance equipped. LaFrance 1930 apparatus embodies sweeping advances . . . years ahead of their time. It minimizes the gamble with fire.

Every citizen should know all about LaFrance *modern* fire-fighting. Ask us to send some highly interesting, informative publications . . . free, of course. American-LaFrance and Foamite Corporation, Dept. D67, Elmira, New York.

## LA FRANCE AND FOAMITE PROTECTION

AN ENGINEERING SERVICE

## AGAINST FIRE



*When writing to AMERICAN-LAFRANCE AND FOAMITE CORPORATION please mention Nation's Business*



# "Heavy, heavy, what hangs over —"

You can guess, as you did when a child.

Or you can ask the advice of experts who are constantly on the watch to provide you with financial protection against whatever may threaten your business or home.

Today the question must be frequently repeated for hazards change over night. The forfeit may be disastrous. And the only way you can be sure to meet it is to have sufficient insurance of the right kind.

Everywhere man's daily activities are creating something new. Whether owner, laborer, counsellor—you are helping to build new processes, new products, new values.

These new developments create new dangers. For example, once there was little chance of injury to a roof. Now who knows when a plane may crash or something may drop to damage a house or factory. More and faster automobiles mean more chance for collision. Even radio has brought new electrical hazards.

Insurance companies are quickly presenting new policies to cover these new values against new hazards. The busy executive cannot hope to keep posted on every detail of his interests.

Hence more and more he is turning to insurance agents for information on new or different policies.

Whenever you need prompt and accurate insurance information, call the Agricultural Agent in your community. Without obligation, he will be glad to recommend important coverages which you are not now carrying

**Agricultural**  
Insurance Company,  
of Watertown, N.Y.



You can obtain  
Agricultural Policies  
for all coverages such as:

FIRE • PARCEL POST  
AUTOMOBILE • MARINE  
USE AND OCCUPANCY  
RENT AND LEASEHOLD  
WINDSTORM • FLOATERS  
SPRINKLER LEAKAGE  
REGISTERED MAIL  
TRANSIT • EARTHQUAKE  
TOURISTS' BAGGAGE  
EXPLOSION AND RIOT  
AIRCRAFT DAMAGE

soap. For instance, how can a dealer justify the sale of an advertised five-dollar razor when a customer walks out of his store and finds practically the same razor on sale in a cigar store for 70 cents?

However, I don't think these changes have hurt the hardware men. At least they haven't hurt the hardware men who are on the job.

Hardware associations are educating their members to the changes taking place in distribution and giving advice as to proved methods of selling and display. They are also teaching dealers how to finance and budget their business to make them better merchants.

## Individual strength in trade

HARDWARE men as a class have always been regarded as good business men and as conditions change they no doubt will be found seeking new merchandise which will mean business continuation for them. One strength of the retail hardware business is that each establishment is largely dominated by a personality in merchandise that is largely controlled by location.

This type of merchandising does not as a line lend itself readily to chain-store management.

Hardware is sold largely on confidence and quality. So long as the hardware men chart their business course on these two factors combined with intelligent service there will be plenty of room for the hardware store.

Retailers should know that they are doing more than exchanging merchandise for money. On the retailer's sales depends the employment of workers manufacturing the merchandise, of workers for transportation lines and so on, back to the men who produce the raw material.

Any merchandise scheme that does not accept the retailer as one of the important factors of its movement is bound to be handicapped, because, in most cases the retailer is the deciding factor in the sale to the consumer and the only representative of the maker the consumer knows in the transaction. Does the retailer measure up to this responsibility? What cooperation should he expect from the makers to invite successful sales of their products?

It is my opinion that manufacturers have not given the retailer the careful thought and study to which he is entitled.

Business development has changed but the big volume of business in this country today is between the retailer and his customer, the consumer.



# THIS NEW TOWER

symbolizes the vast  
expansion of the  
International System

*... that flashes messages by  
radio ... by wire ... by cable*

A VISIT to the International System's soaring new skyscraper on the tip of Manhattan will give you a clearer idea of the variety of services placed at your disposal in every Postal Telegraph office . . .

Looking out over the Atlantic from these lofty windows, you will visualize the great cables—Commercial and All America—that connect you instantly with European, Asiatic, Oriental and South American markets.

The harbor shipping will remind you that Mackay Radio flashes your messages at lightning speed to ships a thousand miles at sea.

And you will appreciate that the very location of this building in the focal center of American business typifies Postal Telegraph service—for more than ninety per cent of Postal telegrams relate directly to industry and commerce.

Any Postal Telegraph office will send a representative who can show you how to cut costs, how to increase efficiency, how to profit by the world-wide facilities that are offered for your service by the only American telegraph system of coordinated communications.

BRISK, EFFICIENT . . . Postal Telegraph messages are delivered by alert youngsters, smartly uniformed, courteous.



The new building of the International Telephone and Telegraph Corporation—at 67 Broad Street, New York—headquarters of Postal Telegraph Company

Commercial Cables   All America Cables   Mackay Radio



## Postal Telegraph



# Harder Jobs Wanted

## By the "Hard-Boiled" Aluminum Alloys

WHEN Charles Martin Hall worked out the process for extracting aluminum from its ore by electricity, in the woodshed in the backyard of his home in Oberlin, Ohio, on the morning of February 23, 1886, he virtually presented a new metal to the world. For prior to that time aluminum had been almost as costly as silver, and its use as a commercial metal was out of the question.

But Hall did not finish the job of making aluminum the useful metal it is today, any more than Christopher Columbus finished "discovering America" when he landed his little party on the island of San Salvador in 1492. Each of these explorers had merely unlocked a new door opening upon the future.

Other men were to enter the aluminum door and make discoveries that Hall could not even have pictured in his imagination at that time.

Discoverers, Hall and Columbus were, but the great usefulness of their discoveries has been developed by men who came after them.

In Hall's case, this development work is being pursued today more aggressively than ever. Scarcely a month passes that some new discovery is not made in the great field of aluminum which he opened up just 44 years ago.

The aluminum that Hall produced made wonderfully fine cooking utensils, and wire for electric cables and, later on, foil for wrapping food products and confectionery, and collapsible tubes for tooth pastes, cold creams and other toilette preparations, to mention but a few of its hundreds of services.

But when it came to carrying a heavy load or standing severe punishment, Hall's aluminum had its limitations. It lacked strength.

That seemed most unfortunate. Here was a metal only one-third as heavy as the older

metals, a metal that would conduct heat five times as fast as iron or steel, a bright metal that would not rust or tarnish from exposure. In short, here was a metal engineers and manufacturers had been needing for

years. But it was not strong enough for the heavy duty required in many fields of industry and transportation.

However, all that was to be changed. Other "explorers" were following hard on Hall's heels—research scientists whose point of view is that when a certain quality is necessary, some way can be found to develop it.

They took aluminum into their metallurgical laboratories and began to experiment. At first there was much mystery about it all. But today, we know that these scientists were merely applying to aluminum the age-old science of "alloying"—of melting a metal and while it is in a molten state adding small experimental quantities of other metals, until a formula is found that gives the qualities desired.

Someone has aptly described an "alloy" as a marriage of two or more well-disposed metals. What happens in this "wedding" is that by taking a large amount of a metal with certain

distinctive properties (in the case of aluminum, lightness and high heat conductivity and resistance to corrosion) and adding to it very small quantities of other metals with certain other characteristics, the metallurgist gets a third metal, surprisingly different in its properties from the metals he has combined.

That is what the research scientists did with aluminum. They added minute quantities of certain other metals and produced several new forms of aluminum—the equal of structural steel in strength, but with only about one-third the weight.

### Aluminum Given Harder Jobs

Then for the first time aluminum was available to engineers for structural use in airplanes, railroad and trolley cars, automobiles, and for structural shapes for building purposes, oil tanks, machine parts, locomotive connecting rods, and other services where only what someone has picturesquely described as "a hard-boiled metal" could be expected to stand the gaff.

And yet it was not quite ready. Just as steel has to be tempered to give it its greatest strength, so it was found that these strong aluminum alloys had to be heat-treated to give them the desired toughness.

Before the World War not a single strong aluminum alloy was being made in America, but in 1919 Aluminum Company of America established Research Laboratories. Since then its scientists and engineers have developed alloys that have amazingly strengthened aluminum for its important work in the world.

Expressed in terms of industry and transportation, equal strength is secured with half (or less) of the weight of materials formerly used, which means power saved . . . dead weight decreased . . . pay load increased . . . quicker acceleration . . . quicker deceleration . . . long life . . . low maintenance . . . a step toward better dividends.

These strong aluminum alloys can be cast, rolled, extruded, machined, drop-forged or worked in almost any desired way. They can be welded or riveted. And because they are so light in weight, they can be lifted and handled more easily than the older metals in the fabrication and finishing processes.

All this explains why strong aluminum alloys are today used so widely for automobile pistons—more than fifty million pistons trademarked Lynette have been made from a special grade of aluminum alloy in the past ten years.

It explains why railroads have begun to turn to strong aluminum alloys for bodies and roofs for their passenger coaches, and driving rods for their locomotives.

### General Atterbury Makes a Prophecy

In an article in a recent issue of "The American Magazine," General W. W. Atterbury, President of the Pennsylvania Railroad, is quoted as predicting "Aluminum is to compete with steel in car and locomotive building. We

shall ride in railroad coaches built like automobile bodies—with aluminum-alloy bodies and steel chassis—behind engines of aluminum and steel. This lighter metal which has the strength of soft steel, will add a third to the carrying capacity of trains, and introduce a new giant into the mechanical construction field."

This would not be possible without these "hard-boiled" aluminum alloys. Nor would our progress in aviation.

In the field of electrical appliances, the strong aluminum alloys have made possible light, efficient electric washing machines, vacuum cleaners and vibrators.

In business offices, railroad dining cars, hotels, and hospitals, aluminum chairs made from these strong alloys are rapidly replacing wood chairs.

In the machine-tool industry these "hard-boiled" aluminum alloys are proving very useful and holding down jobs in which only a strong, tough metal will serve.

The outboard motors used on small pleasure boats are made of strong aluminum alloy castings and drop-forgings. They make possible the fun of outboard motoring.

On our city streets, store fronts are beginning to be made from moldings and shapes of these strong alloys. In designing office buildings, railway stations, churches and public buildings, architects are employing aluminum alloys for spandrels and decorative parts.

### Many Minds at Work

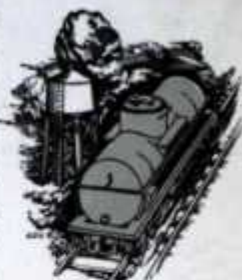
Charles Martin Hall started it all. But the aluminum that is used in America today—and American aluminum is the highest standard in the world—is the result of years of intensive research and painstaking experiment by the research and development engineers of the Aluminum Company of America.

In order to establish the identity of its aluminum and the strong alloys of this aluminum, this Company has created a trade name. This name is made up of three syllables, ALCOA, standing for the beginning letters of the principal words of its name:



ALuminum COmpany of America.

Though ALCOA ALUMINUM is the finest made today, the period of exploration in the field of aluminum is only begun. The Aluminum Company of America is facing forward and working ten, fifteen, twenty-five years in the future, in order that when the world needs a light metal with characteristics which as yet we cannot even imagine, it will be ready for service in still harder jobs. In fact, harder jobs are wanted today for these "hard-boiled" aluminum alloys! ALUMINUM COMPANY of AMERICA; 2425 Oliver Building, PITTSBURGH, PENNSYLVANIA.





# TOPICS FROM THE BUSINESS PRESS

By PAUL H. HAYWARD

**W**RITING in *Commerce and Finance*, Leavelle McCampbell declares that criticisms that cotton mills are generally inefficient and that they deserve their present hardships are unjustified by facts.

The mechanical equipment of the average cotton mill, he asserts, is of an efficiency that is equaled in few industries and surpassed in none. To make a yard of cotton cloth, he says,

not less than 35 million individual pieces of raw material are gathered by hand from many hundred locations. Each piece is hair-line in diameter and about an inch and a sixteenth long. Dirt and trash must be separated from these bits of material before they can be used. They are then laid in parallel lines and all that do not measure up to the required length are discarded. Next they are pulled into strands and the strands are spun into yarn.

The rate at which this is done is amazing. It is not uncommon for spindles to turn at the rate of 10,000 revolutions per minute, a machine speed almost unknown in other industries.

As a further step in making this cloth 3,120 pieces of this yarn are threaded through heddles. Each of these warp threads goes through a separate eye, hardly larger than that of a needle. Twenty-eight hundred and eighty more pieces of yarn are laid in crosswise, one at a time. As each is laid it is pushed in place by a separate operation.

These 6,000 threads intermesh and cross each other nearly nine million times. If at any crossing one goes under when it should go over, the cloth is laid aside and called a second. When these processes are completed this yard of cloth sells for nine cents.

Does any other industry create a product so intricately made at so low a cost?



## ♦ It's Still on the Books

"PLANTING flowers on the grave of the Sherman Act is more or less a popular pastime with unquenchably optimistic business men," begins *Coal Age* in

cautioning its readers that that Act is "neither dead nor sleeping."

"Merger on merger goes unchallenged," the editorial continues, allied groups exchange proper and harmless information without rebuke and even with quasi-governmental sanction—and the less cautious become imbued with the idea that all brakes are off. Then comes warning, followed by action, from Washington and the fond optimists are jolted out of their dreams. . . .

Attorney-General Mitchell gave the first warning as long ago as last October . . . that, until Congress saw fit to change its policy on antitrust legislation, the Department of Justice would enforce the existing statutes "without prejudice and with fairness, but with firmness."

His assistant, John Lord O'Brian, added further emphasis . . . by the statement that the work of the antitrust division of the department would be materially increased because some trade associations had overstepped the bounds. The chief abuse against which the division is fighting, he said, "is price-fixing."

The Sherman Act may be economically outmoded; many business men are convinced that it is. But the law is still on the statute books and, while it remains there, clear-thinking industrialists will be guided in their actions not by their preferences but by the inescapable facts. To do otherwise is to invite legal chastisement.



## ♦ There's Bears in Them Hills

HERE'S a story that the *American Lumberman* attributes to Harry T. Kendall, sales manager of a Kansas City coal and coke firm, who says it really happened. Kendall was in the barber shop of an express-train club car speeding through the western mountains when he overheard one of the porters, a small, spry youth, amusing himself by kidding another, an athletic chap weighing around two hundred pounds.

"Look heah," said the lightweight, "if I was as big as you I wouldn't be makin'

no beds or shinin' shoes on the Sante Fé. I'd be out in them hills ketchin' bears. Lots of big bears in them hills. If I was as big as you I'd be out there ketchin' them big bears. I'd be ketchin' them bears with my hands and chokin' them to death."

The big porter grinned and said nothing. But after awhile he stirred and looked down at his companion.

"Look heah, son," the big boy said. "They's lots of little bears in them hills too."

We don't intend to gild the lily by adding a sermon on this text. Not any more at least, than this: When we think of the things other branches of the industry ought to be doing, it's just as well to remember the little bears about our size that we could be catching.



## ♦ When Money Goes to Cities

"HERE and there," says the *American Bankers' Journal*, "men are beginning to give thought to the final effect of the present tendency of money to concentrate itself in the cities"—a tendency that marks the reverse of the situation prevailing before the enactment of the Federal Reserve law, when our banking system was criticized because there was not adequate machinery for the mobilization of credit.

"But the coming of the 'chains'," the editorial goes on,

has injected a new and powerful element, and the tendency of some chain corporations to get their money out of the smaller town day by day gives rise to speculation as to what the effect of this centralization movement may be if it continues. The case is not as bad as it might be painted. The chains—no matter what they deal in—must go to the country for many of the items they sell. Dollars, like men, must go to the fields, forests, mines and the fisheries to find employment.

If there is any real danger in the tendency, it consists in taking off the "land" more than is put back. The farmer who tries to cheat nature usually cheats himself and by the same token the genuine pros-





## “..and the dealers turn out”

### *Sales meetings are easy to organize when executives arrive by plane*



DISTRICT sales meetings were an old story to dealers of a certain large manufacturing company in the mid-west. Try as the company officials would, they experienced difficulty in bringing together groups of dealers by any of the usual methods.

“This situation has been radically changed,” says the sales manager, “since we purchased a Ryan and our officials travel by plane. Now we simply advise a distributor in advance that a district sales meeting will be held on a certain date *and the dealers turn out*—assemble at the flying field to meet us.” In this way, a personal relation-

ship has been established between the company officials and the men in the field which has resulted in greater dealer good-will and in turn, increased sales

With a Ryan, executives are able to contact a nation-wide organization with ease—to meet frequently important business associates who formerly could be seen only once every so often. And by saving valuable time on business trips, a Ryan adds more working days to every year.

Three Ryans—the new Foursome, the Brougham for six and the new Wasp-Powered Brougham — are available to serve business. All are built to the same high standard — all have characteristic Ryan performance.

We will gladly tell you more about the advantages of Ryan transportation.



## DETROIT AIRCRAFT

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CHANIN BLDG., NEW YORK

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PARKS AIR COLLEGE, INCORPORATED  
PARKS AIRCRAFT CORPORATION  
EASTMAN AIRCRAFT CORPORATION  
AIRCRAFT DEVELOPMENT CORPORATION

BLACKBURN AIRCRAFT CORPORATION  
MARINE AIRCRAFT CORPORATION  
GROSSE ILE AIRPORT, INCORPORATED  
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perity of the whole country is necessary for the prosperity of the centers of population.

### ♦ A Bit of Canadian Satire

OUR own Uncle Sam apparently is not the only governmental dispenser of information that is sometimes of questionable usefulness, if we may believe the Canadian *Financial Post*:

A recent bulletin issued by the Ontario Department of Agriculture is devoted in its entirety to an excellent treatise on Amateur Dramatics. What effect this will have on crops during the year cannot be estimated, nevertheless such a departure opens up new fields.

Perhaps it is too much to expect the Department of the Interior to issue a bulletin on Where to Dine in Paris, but it might be possible for the Department of Marine and Fisheries to print a short work on the Design and Construction of Eight-Oared Racing Shells.

### ♦ There's Still a Frontier

AMERICAN business still has its frontiers and business men their adventures, we learn from *The American Chamber of Commerce Journal*, publication of the Philippine Islands Chamber. The instance at hand concerns a labor contractor who had engaged some Magahats, a tribe of wild mountain folks, to cut some wood.

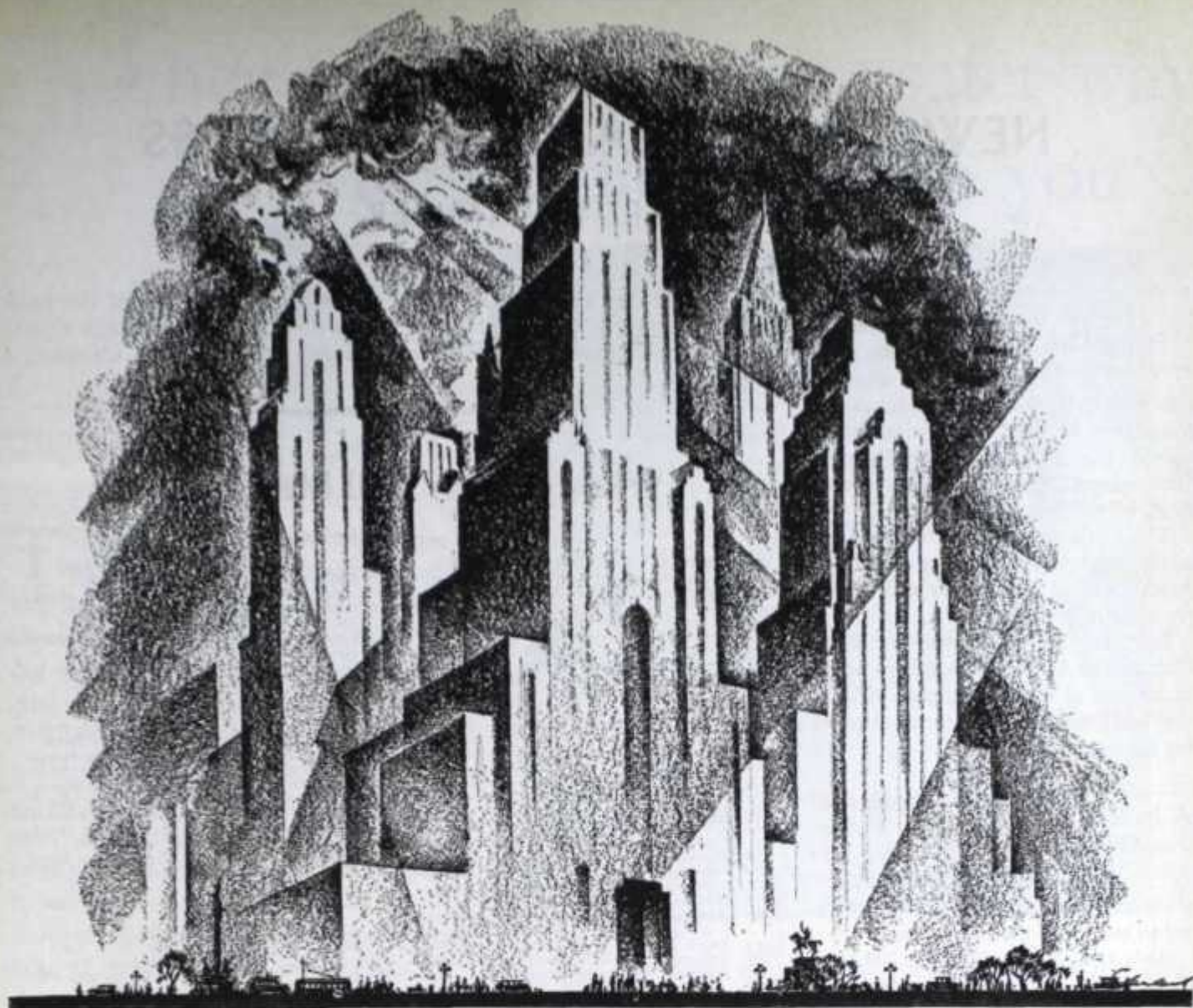
Col. R. O. F. Mann described the ensuing complications:

Two wives of one Magahat deserted him and began living formally with two other Magahats who had accepted the ways of civilization and were working for wages. This set a band of eight Magahat braves on the warpath for the scalp of Liloy, the Christian labor contractor, whom they blamed for the alienation of the women's affections; the band descended upon the village of Tampiong, Liloy making headquarters there. . . . But Liloy took to the woods.

Colonel Mann thinks the Magahats should be concentrated and made to live in villages. The Magahats, unfortunately, think otherwise. They are regular he-men; they disdain the humble rooftop . . . and use women as media of barter. . . . Marriage, undertaken at the instance of the man, consists in killing a wild pig and inviting others to come and help eat it—that is the extent of the ceremony. But though women among the Magahats are enslaved and beaten . . . they outnumber the men because the men kill each other off in fracas over them.

Colonel Mann suggests that if the Magahats were put in villages . . . they could be given at least the semblance of education. True, obviously true. But it must always be added—roads are the best means of annihilating the frontier and reforming frontiersmen.





**T**HE BEST TIME to build profit into a new commercial building enterprise is before a drawing is made . . . Preliminary planning based on sound economic facts will guarantee the success of the project. To establish these essential facts is the job of a specialist . . . Ferguson engineers will do it for you promptly, if you are ready.

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# NEWS OF ORGANIZED BUSINESS

By WILLARD L. HAMMER

## Junior Flying Club

THE Junior Chamber of Commerce of Lincoln, Nebr., has organized what it claims to be the first Junior Chamber of Commerce Flying Club in the United States. The president of the National Junior organization was the first student to enroll for flying instruction.

The Club will operate from a local airport and training will be under the supervision of the regular staff of instructors at the port.

For the past two years the Junior Chamber of Commerce has been active in support of the development of aviation and has made that its major project for the current year.

## A Budget Without Solicitation

THE Chamber of Commerce of Aberdeen, Wash., this year raised its operating and industrial fund without resorting to store solicitation.

At a banquet attended by 700 local citizens, the Chamber president appealed for \$26,000 to meet the budget for his organization in 1930. After the plans for the year had been outlined completely, application cards were handed out and filled in. At this first meeting the pledges totalled \$18,000. At later luncheon meetings the remainder was pledged.

## San Francisco's Foreign Trade

SAN FRANCISCO is setting out to make itself a port city of world importance judging by the recently formed plans of the Chamber of Commerce of that city. The Chamber has formed a new department of international trade and commercial relations. The department will have a program of far-reaching influence.

The establishment of the new department was a direct result of the recent Pacific cruise of the Chamber. The contacts made by the Chamber's representatives on the around-the-Pacific cruise clearly show that San Francisco is in a strategic position to obtain a great deal more Pacific trade.

Robert Newton Lynch, who has been secretary-manager of the Chamber, will take over the management of the new

department with the title of vice president. He will devote his entire time to this new activity of the Chamber. A

## Where Business Will Meet in June

(From information available May 1)

2-6	American Water Works Association	St. Louis, Missouri	Jefferson Hotel
2-6	Association of Operative Millers	Buffalo, New York	Statler Hotel
2-6	Radio Manufacturers Association	Atlantic City, N. J.	Ambassador Hotel
2-7	National Confectioners Assn. of the U. S.	Chicago, Illinois	Stevens Hotel
2-7	Water Works Manufacturers Association	St. Louis, Missouri	Jefferson Hotel
3-4	National Lime Association	Chicago, Illinois	Edgewater Beach Hotel
3-4	National Assn. of Certified Public Accountants	New York, N. Y.	
3-5	Health and Accident Underwriters Conference	Waukegan, Indiana	Hotel Waukegan
4-5	Associated Machine Tool Dealers	Granville, Ohio	Granville Inn
4-7	American Association of Museums	Buffalo, N. Y.	Statler Hotel
5	American Assn. of Wood Pulp Importers	New York, N. Y.	
5	National Automobile Chapter of Commerce	New York, N. Y.	366 Madison Avenue
5	National Retailer Owned Wholesale Grocers	Dayton, Ohio	Van Cleve Hotel
5-7	National Office Management Association	Swampscott, Mass.	New Ocean House
5-7	National Retail Coal Merchants Association	Aubury Park, N. J.	
6	Eastern Lumber Salesmen's Association	Philadelphia, Pa.	Bellevue-Stratford
6	National Association of Sheet Music Dealers	New York, N. Y.	New Yorker Hotel
9-11	Insecticide and Disinfectant Mfrs. Assn.	Chicago, Illinois	Edgewater Beach Hotel
9-12	Music Industries Chamber of Commerce	New York, N. Y.	New Yorker Hotel
9-13	National Association of Building Owners and Managers	Biloxi, Miss.	Buena Vista Hotel
9-14	National Association of Music Merchants	New York, N. Y.	Commodore Hotel
10-11	Southern Fisheries Association	Jacksonville, Fla.	Carling Hotel
10-12	National Fertilizer Association	Colorado Springs, Colo.	Broadmoor Hotel
10-13	National Association of Sheet Metal Contractors of the U. S.		
10-13	Linen Supply Association of America	Pittsburgh, Penna.	Fort Pitt Hotel
12	National Electrical Manufacturers Assn.	Pittsburgh, Penna.	Wm. Penn Hotel
12	Gummed Industries Association	Washington, D. C.	Wardman Park Hotel
12	American Optometric Association	Chicago, Illinois	Union League Club
16-17	Central Retail Feed Association	Boston, Massachusetts	Statler Hotel
16-18	National Assn. of Flat Rolled Steel Mfrs.	Milwaukee, Wis.	Schroeder Hotel
16-18	National Editorial Association	White Sulphur Springs	Greenbrier Hotel
16-19	American Society of Agricultural Engineers	Milwaukee, Wis.	New Pfister Hotel
16-19	Heating & Piping Contractors National Assn.	Maline, Illinois	
16-19	National Association of Cost Accountants	New York, N. Y.	The New Yorker Hotel
16-19	National Association of Purchasing Agents	Syracuse, New York	Hotel Syracuse
16-19	National Association of Retail Grocers	Chicago, Illinois	Stevens Hotel
16-20	American Institute of Banking	Dayton, Ohio	Dayton Biltmore Hotel
16-20	Association of Iron and Steel Electrical Engineers	Denver, Colorado	
16-20	National Association of Direct Selling Cos.	Buffalo, New York	Statler Hotel
16-20	National Electric Light Association	Loke Rousseau, Ont.	
16-20	Pacific Coast Electrical Association	Canada	
16-23	Lithographers National Association	San Francisco, Cal.	Royal Muskoka Hotel
17	National Retail Credit Association	San Francisco, Cal.	Exposition Auditorium
17	New England Hotel Association	Murray Bay, Canada	Exposition Auditorium
17-19	American Surgical Trade Association	Toronto, Canada	Manoir Richelieu
17-19	International Circulation Managers Assn.	Poland, Maine	Royal York Hotel
18	American National Fox and Fur Breeders Association	Poland, Maine	Poland Spring House
18-19	Northwestern Assn. of Mutual Insurance Co's	Chicago, Illinois	Edgewater Beach Hotel
18-20	American Leather Chemists Association	West Baden, Indiana	Baden Springs Hotel
18-25	Railway Supply Manufacturers Association	Milwaukee, Wis.	Hotel Wisconsin
19-20	National Knitted Outerwear Association	Minneapolis, Minn.	Curtis Hotel
19-22	Southern Hotel Association	Milwaukee, Wis.	Hotel Schroeder
20	Manufacturers Standardization Society of the Valve and Fittings Industry	Atlantic City, N. J.	Municipal Auditorium
20-21	American Automobile Association	Atlantic City, N. J.	Robert E. Lee Hotel
20-21	National Association of Taxicab Owners	St. Louis, Missouri	
23	National Retail Hardware Association	Atlantic City, N. J.	Grove Park Inn
23	Association of Railway Electrical Engineers	Detroit, Michigan	Sherman Hotel
23-24	Certified Milk Producers Assn. of America	Toronto, Canada	Coronado Hotel
23-24	Farm Seed Association of North America	Saranac Inn, N. Y.	Hotel Dennis
23-27	American Dental Trade Association	Toronto, Canada	King Edward Hotel
23-27	American Institute of Electrical Engineers	Atlantic City, N. J.	Saranac Inn
23-27	American Society for Testing Materials	Boston, Mass.	Royal York Hotel
24	Plumbing and Heating Industries Bureau		Chalfonte-Haddon Hotel
24-26	National Assn. of Master Plumbers of the United States of America		Statler Hotel
24-26	National Cigar Box Manufacturers Association	Boston, Mass.	
24-26	National Macaroni Manufacturers Association	Quebec, Canada	Chateau Frontenac
24-27	American Society of Heating & Ventilating Engineers	Niagara Falls, Can.	The General Brock
24-28	American Home Economics Association	Minneapolis, Minn.	
25-27	Pacific Northwest Stationers Association	Denver, Colorado	Cosmopolitan Hotel
25-27	American Seed Trade Association	Vancouver, B. C.	Vancouver Hotel
26	Theater Owners Booking Association	Toronto, Canada	King Edward Hotel
27-28	Southern Textile Association	Chattanooga, Tenn.	
30	Mahogany Association	Myrtle Beach, S. C.	Ocean Forest Hotel
		New York, N. Y.	



# They found a quicker...safer way to get their mail to you



THE large life insurance companies use *Metered Mail* for important correspondence. Their envelopes bear the *Meter Stamp*. The Pennsylvania Railroad distributes thousands of dividend checks. And does it with *Metered Mail*.

*These companies and thousands of others—large and small—consider that anything as old-fashioned as the adhesive postage stamp is not suited to modern business. And every year you see fewer and fewer postage stamps.*

*Metered Mail* speeds up the preparation of mail in your own offices. It takes the shortest possible route through the post office. It may save as much as twenty-four hours in delivery. *Metered Mail* combines greater safety with increased speed.

Every responsible business concern, large or small, can enjoy the privilege granted by the United States Government, of printing and metering postage and postmarking mail in their own offices by means of the Postage Meter. *Metered Mail* eliminates the old tongue-and-thumb method of licking and sticking stamps. It ends stamp losses and provides accurate postage accounting. It does away with the time-taking operations in the post office that delay ordinary postage stamp mail. It requires less handling and therefore can catch earlier trains.

*Meter Stamps* are distinctive. They symbolize and



broadcast the progressiveness of those who use them. They mark a new era in mail communication.

Telephone one of our mail specialists today. There is a Postage Meter branch nearby. Or write to our main office for further information. The Postage Meter Company, Distributors of Pitney-Bowes Mailing Equipment, 932 Pacific Street, Stamford, Conn. Offices also in 21 of the country's largest cities.



Model A. Automatically seals, imprints postage, postmarks, and counts 250 letters a minute. Prints any single denomination of postage.



New Model H—for any business, small or large. Seals—prints any denomination postage—audits postage account—all in one operation.

# METERED MAIL

YOU SEE FEWER AND FEWER POSTAGE STAMPS



# BACK AGAIN... the Summer CLOCK WATCHERS!



70,000 sq. feet of Armstrong's Corkboard, laid over concrete deck, insulate the roof of the Montgomery Ward Building, Denver, Colo. Contractor, Wells Bros. Chicago, Ill.

**W**ILL the top floor of your building be unbearably hot again this summer? Will your employees be drowsy, and work with one eye on the clock? Adequate roof insulation can help you prevent this.

Armstrong's Corkboard Insulation on the roof keeps out the heat and insures you a cooler top floor. And it will increase the efficiency of your employees. It is doing this in buildings all over the country—and it can do it for you!

In winter Armstrong's Corkboard is even more essential. A large part of the heat in your building goes out through the roof. But you can reduce this waste by two-thirds with Armstrong's Corkboard. In a very short time the insulation will have paid for itself.

It pays for itself in another way, too. It rids you of condensation

troubles. There'll be no more "ceiling sweat," ruined plaster, or damaged materials.

Whether your building is one story high or fifty, Armstrong's Corkboard can save you money. Let us send you a copy of our book, "The Insulation of Roofs with Armstrong's Corkboard." Just write to the Armstrong Cork and Insulation Company, 903 Concord Street, Lancaster, Pennsylvania.

Armstrong's Corkboard is made 1½, 2, and 3 inches thick. An adequate thickness can be laid in a single layer.



## Armstrong's Corkboard Insulation

For the Roofs of All Buildings

When writing to ARMSTRONG CORK & INSULATION COMPANY please mention Nation's Business

group of leading citizens of the city has been appointed by the committee to head this department.

Under this department, all of the national and international interests of the Chamber will be conducted. The department will include the usual foreign trade activities and services already rendered by the Chamber. It will take over the present Japanese Relations Committee of the Chamber which has functioned over a period of years.

It will include the China Commerce Committee, headed by Captain Robert Dollar. It will also take over the Philippine Committee and Latin American Committee of the Chamber and all other subjects of a national or international character affecting trade and relationships with all of the world outside of the eleven western states.

Mr. Lynch has had long experience in oriental contacts and enjoys an extensive friendship and acquaintance throughout the Pacific area. He was recently decorated by the Emperor of Japan for distinguished service in cultivating friendly relations between that country and the United States.

### "The Race of The Cities"

"THE Race of the Cities" is the title of the principal piece of literature issued by the Houston, Tex., Chamber of Commerce in its recent campaign for money and members with which to carry out the ambitious program it has undertaken.

This booklet was supplemented by other attractive pieces of literature which were both good educational matter and attractively printed pamphlets. They are all interesting as chamber of commerce publications.

Incidentally, the new and increased budget was oversubscribed at the end of the campaign.

### Community Spirit

THE problems and methods of a small chamber of commerce are quite different from those of a chamber in a larger city. Therefore we trust that this report of the routine activities of a chamber in a town of 12,000 population will prove of interest to members of larger chambers and an example to other small-town chambers.

This Chamber, that of Columbus, Ind., is supported by approximately 350 leading merchants, business and professional men. All matters of a civic, industrial or agricultural nature are threshed out within the council rooms. Weekly luncheons insure a continuity of



## INDUSTRIAL LOS ANGELES



# CENTRAL STATION POWER COSTS LESS IN LOS ANGELES\*



\*The bills of a representative number of large and small typical industrial consumers were computed at Los Angeles rates and principal published rates in Eastern and Midwestern industrial centers and found to average 46.5% lower in Los Angeles.

## This Means Lower Production Costs than at Your Eastern or Mid-Western Factory!

THE RECOMMENDATIONS of an imposing number of nationally famous industrial engineers have resulted in the construction of many Pacific Coast factories in the Los Angeles area on the basis of savings in production costs. Analysis of the Los Angeles cost sheet shows that power here is a potent factor in economical production... a worthy helpmate to unsurpassed advantages of distribution, market concentration, accessibility to South America

and the Orient, productive climate and labor, and low building costs.

Compare your present power costs with savings available in this industrial center. Send detailed specifications of your prospective Pacific Coast plant requirements. An accurate computation of what your Los Angeles power costs would be here will be returned to you promptly... compiled by thoroughly experienced industrial power experts. Our opening statement is a challenge. Write the Business Agent, Bureau of Power and Light, 207 South Broadway, Los Angeles, California, for your confidential report.

**BUREAU OF POWER AND LIGHT**  
CITY OF LOS ANGELES





## • those who know Washington best live at Wardman Park



● Around Wardman Park revolves the brilliant social and diplomatic life of the Nation's Capital. Riding the bridle paths on mounts from the Wardman Park Saddle Club, playing tennis on excellent courts, dining and dancing in the exquisite Gold Room are men and women whose names are known the world over. They live at Wardman Park because here on the wooded heights overlooking Rock Creek Park within ten minutes of the center of the city—one may enjoy all of the relaxations and sports of a week-end in the country in an environment distinctly metropolitan. Naturally such a distinguished clientele would not be content with a service that is anything less than flawless. If you have not experienced the delights of a visit in this unusual hotel you've a distinct pleasure awaiting you on your next trip to Washington. Incidentally too, Wardman Park, because of its complete facilities—more than eighteen hundred outside rooms—its many private dining and conference rooms—its own modern theatre and its nearness to all the important points of the world's most interesting city—offers an ideal place for the annual conferences of company executives or industry-group meetings. A special department for the planning of these is maintained by Wardman Park. A letter to the hotel will bring you full details.



Management  
UNITED REALITIES, INC.  
D. R. LANE, President  
GEORGE E. ALLEN,  
General Manager

### WARDMAN PARK HOTEL

WASHINGTON, D. C.

interest, while the recreation parlors aid in promoting friendship, harmony and good-will.

When outside retail interests began establishing branches in Columbus, the retail division of the Chamber, composed of local merchants, held a meeting, forgot personal and competitive matters, and made a careful trade analysis of the trade territory. A novel profit-sharing plan was adopted, supplemented by a monthly independent publication devoted exclusively to the plan and to educating the public to make Columbus its regular trading center.

After nine months of persistent hammering on the "community spirit" idea, interspersed with lectures delivered at outdoor meetings, the merchants found that their trading area had been increased from 16 to 25 miles. Collections, too, were stimulated.

After the retail division had profited by its united action in sponsoring this trade-extension program, and had learned the advantages of collective effort, no difficulty was encountered in raising funds to meet a stock issue needed to retain one of the town's oldest industries, which had been sold to outside interests.

In Columbus, collective effort through the Chamber of Commerce has been found to be the one best way to overcome "stand-still-itis."

#### Parade of Airplanes

THE Chamber of Commerce of Camden, N. J., engineered an airplane parade

through the city streets in connection with the Tri-State Aircraft Show held there. All single-motored ships that were displayed in the show landed at Central Airport and proceeded in parade formation to the hall where the show was held.

Other vehicles in the parade showed the development of transportation from the days of the high bicycle and the side-cranked automobile to the modern flying machine.

#### "Know Waterloo"

ONE of the projects recently sponsored by the Waterloo, Iowa, Chamber of Commerce, was "Know Waterloo Week."

The city contains some 150 factories which manufacture farm implements and other heavy products and many smaller items.

During "Know Waterloo Week," the heavy products were displayed at Lincoln Park in county-fair style. Smaller products were displayed in the show windows of merchants.

Through these displays many resi-



# STRUCTURAL STEEL CREATED THE SKYSCRAPER IS THE SKYSCRAPER A MENACE?

**THE SKYSCRAPER**—a study of its economic height—by W. C. Clark and J. L. Kingston. 164 interesting pages of facts, charts, tables and drawings. Published by the American Institute of Steel Construction, New York. \$2.

Is **THE** skyscraper an economic fallacy? A fire hazard? An assault on public health and safety? Shall it rise still higher or be banished from the face of the earth?

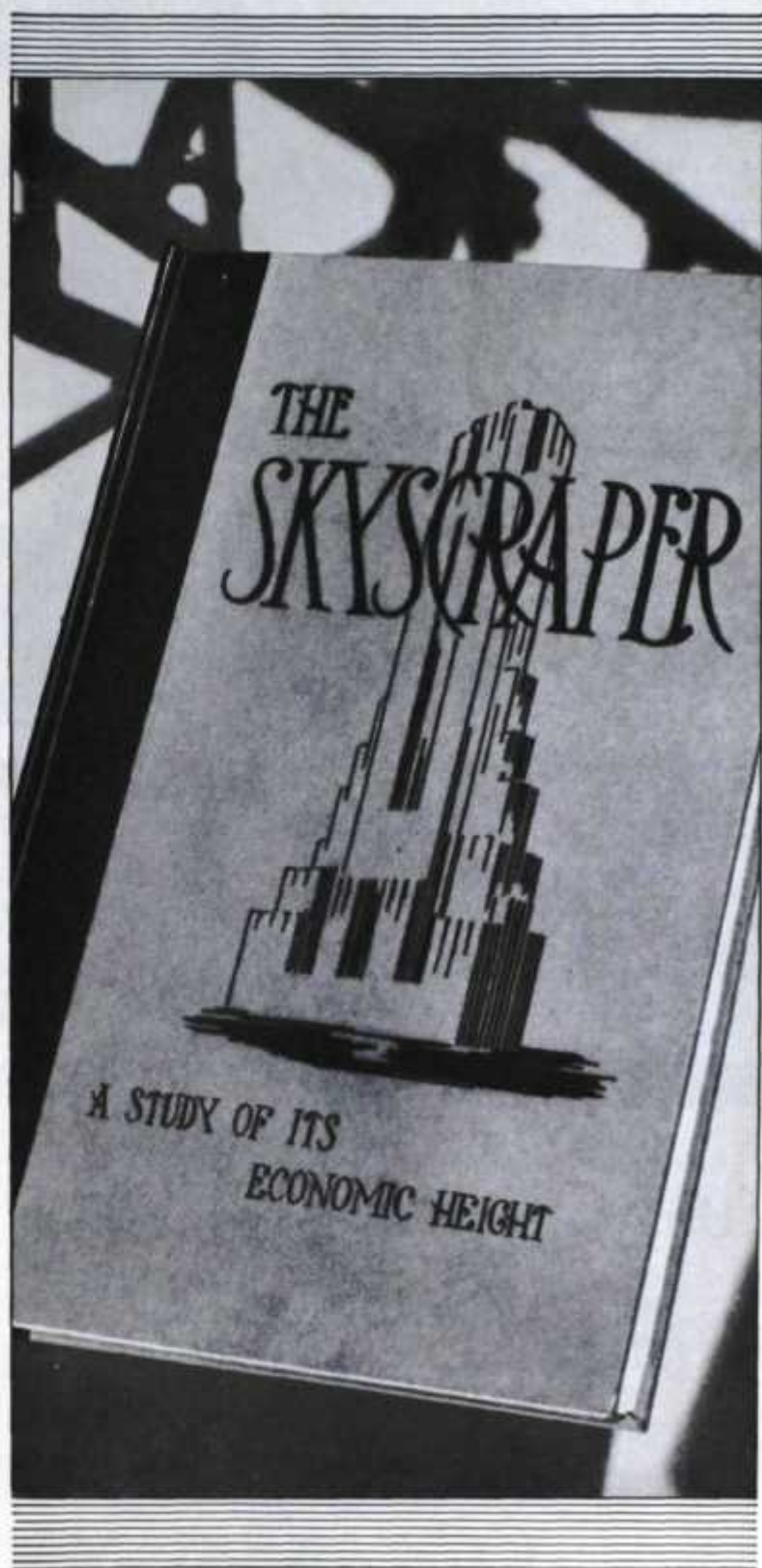
Into the raging controversy comes this clear, calm brief for the skyscraper. While admitting that the extremists are not all on one side, the authors recognize in the attacks of many *antis* "the eternal prejudice against 'the new' . . . which less than a century ago caused German doctors to protest against a railroad on the ground of danger to the health not only of those who dared to ride on it, but also of those unfortunate citizens who could hardly escape injury to health from observing the trains racing along at 20 miles an hour."

Which side of the question are you on—and how far? Here's red meat for the *antis* as well as the *pros* and information so authoritative and comprehensive that no steel man, no architect, builder, executive or metropolitan realtor can afford to be without it.

Send check to the New York Office for your copy before edition is exhausted.



The co-operative non-profit service organization of the structural steel industry of North America. Through its extensive test and research program, the Institute aims to establish the full facts regarding steel in relation to every type of construction. The Institute's many publications, covering every phase of steel construction, are available on request. Please address all inquiries to 200 Madison Avenue, New York City. District offices in New York, Worcester, Philadelphia, Birmingham, Cleveland, Chicago, Milwaukee, St. Louis, Topeka, Dallas and San Francisco.



**AMERICAN INSTITUTE OF STEEL CONSTRUCTION**  
STEEL INSURES STRENGTH AND SECURITY

*When writing to AMERICAN INSTITUTE OF STEEL CONSTRUCTION, Inc. please mention Nation's Business.*

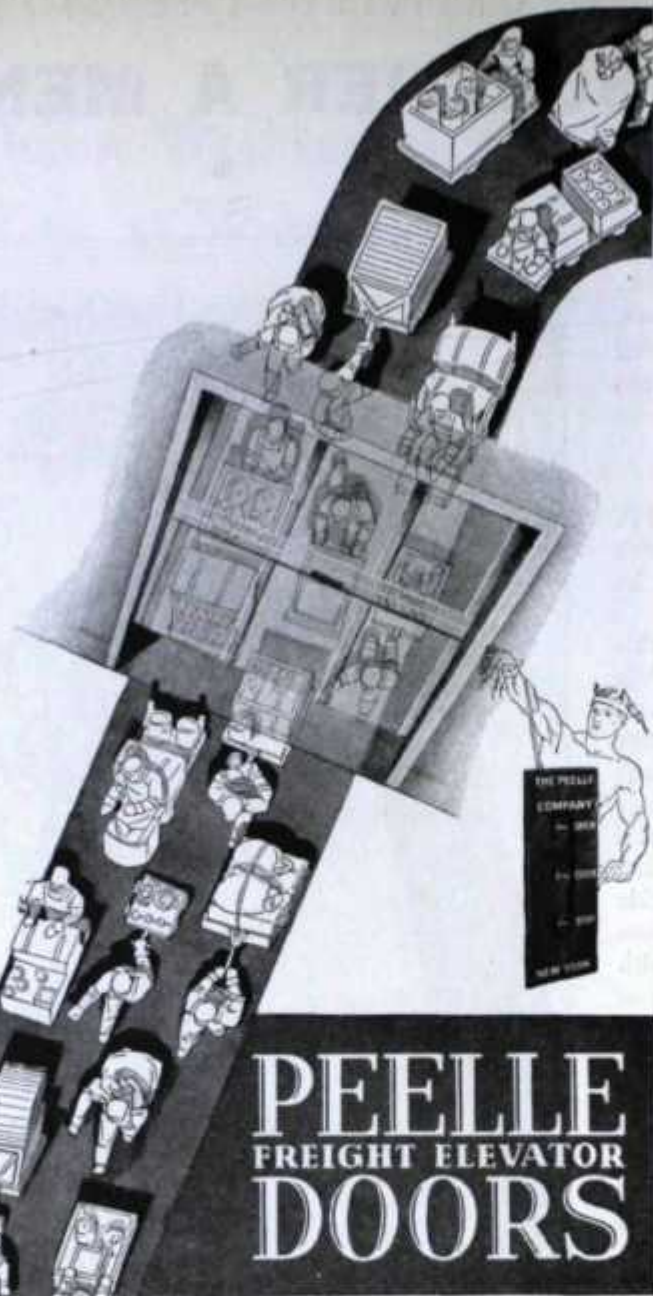


## THE DOORWAY OF AMERICA'S FREIGHT ELEVATOR TRAFFIC

WHEN industry mobilizes its indoor traffic fleet... electric trucks, hand trucks, wheelbarrows and other equipages of its freighting squadron... some piled high with ingots... others lightly filled with glass... some on large wheels rimmed with iron... some on small wheels pneumatic tired... onward they charge through Peelle Doors. Peelle Doors are built to withstand the shocks and ease the brutal onslaught of weight as well as smooth the path for fragile products.

They safeguard against accident and the spread of fire, link floor to floor... act both as a wall and bridge. They save time by speedy operation and lower maintenance by fault-proof service. Electrified... opening and closing at the touch of a button... Peelle Doors are greater industrial servants than ever before. Write for catalog, or consult our engineers.

THE PELLE COMPANY,  
BROOKLYN, NEW YORK  
Boston, Chicago, Cleveland, Philadelphia,  
Atlanta, and 30 other cities in Canada:  
Toronto and Hamilton, Ontario.



# PEELLE FREIGHT ELEVATOR DOORS

dents learned for the first time that some article they contemplated buying was made in their own neighborhood.

The affair was of great advantage to the city in building good will, better knowledge, and the local loyalty needed for the success of any city.

### Cooperative Art Selling

A NEW field for co-operative marketing associations has been opened in California.

There a group of etchers have formed the California Etchers Association to market their product.

Artists are notably poor salesmen. Therefore the group thought that a co-operative, businesslike sales organization would greatly help them. It is coming up to expectations, especially for the good local artists who are not near the great marts of art.

### Small Store Advertising

THE Domestic Distribution Department of the Chamber of Commerce of

the United States has recently published a handbook entitled "Small Store Advertising." It tells of the various methods of advertising that are open to the small retailer—newspaper, direct mail, outdoor, window display, and others.

The book is illustrated principally with reproductions of advertisements showing particular features. The booklet, we believe, will be of great use to retailers.

It may be obtained from the Chamber of Commerce of the United States at Washington, D. C., for 15 cents.

### Touring the East and South

BUSINESS MEN'S tours are not unusual, but there is something of the

grand scale in the industrial tour of some 35 members of the Tacoma, Wash., Chamber of Commerce through the East, South and Southwest.

The tour required 30 days, four of which were spent attending the annual meeting of the Chamber of Commerce of the United States at Washington, D. C.

The Tacoma Chamber's president says that the trip was not the familiar booster excursion or sight-seeing party, but a serious tour to make business contacts, to get ideas and inspiration that will assist the Chamber in planning for Tacoma's advancement.

Not the least important benefit was the opportunity the tour gave leaders of Tacoma's business to fraternize for the thirty-day period.



## Buying For Contentment

It is not uncommon to buy something that momentarily attracts your attention, and to scold yourself afterwards for buying it. . . .

Advertising helps you to spend your money wisely—carefully—and saves you from after-regrets.

In the advertisements of this magazine you see the worth while, enduring products spread before you. . . .

Knowing them *before* you buy—you are able to judge intelligently your needs. Never are you rushed into buying; into having first—and scolding afterwards—

Advertising gives you honest information *before* you buy. You have a reliable guide and index to help you plan your purchases to obtain the highest values.

Read the advertisements! You will find that they make your money go farther . . . and that you will be satisfied with your purchases long after you have bought.



# ONLY FRIGIDAIRE Water Coolers

*offer all these  
advantages*

- ...An extra-powerful mechanical unit which cools water quickly and keeps it cool.
- ...Ability to maintain the exact temperatures desired... automatically.
- ...A motor that operates but a few minutes each hour with a cost of just a few cents a day.
- ...Quiet starting, quiet stopping, quiet running.
- ...Special compartment for storing sandwiches, milk and other bottled goods.
- ...Cabinet that can be placed anywhere and moved whenever desired.
- ...Unusual beauty of design and finish that will harmonize with modern office furnishings.
- ...Self-closing faucets which will not leak.
- ...A guarantee of absolute satisfaction backed by General Motors.

Let us send you our latest booklet on Frigidaire Water Coolers. Mail the coupon today.



Frigidaire Water Cooling Equipment includes individual unit systems for either bottled or city water and may be equipped with bubblers, faucets or glass-fillers. Frigidaire equipment may also be used with existing bubblers or fountains. There are models for offices, theatres, hotels, restaurants, clubs, hospitals and factories.



Note the special compartment. Here you can keep fruit, milk, beverages... cold and fresh until ready for use.

## FRIGIDAIRE WATER COOLERS

FRIGIDAIRE CORPORATION, Subsidiary of General Motors Corporation,  
Dept. P-53, Dayton, Ohio.

Please send me your illustrated booklet on Frigidaire Water Coolers.

Name.....

Address.....

When writing to FRIGIDAIRE CORPORATION please mention Nation's Business



# WHAT I'VE BEEN READING

By WILLIAM FEATHER

President, the William Feather Company, Cleveland, Printers and Publishers

**I**N "America Looks Abroad," Paul M. Mazur, partner in the banking house of Lehman Brothers, boldly faces a question that has perplexed American students of international exchange since the conclusion of the World War.

The question is, "How is Europe going to pay our loans unless we lower our tariff barrier?"

Mazur presents the possible alternatives.

We can follow our present practice of lending money to finance interest and principal payments as they become due. But that can't go on forever.

We can increase our tourist trade in Europe. But that is now so huge that it seems unlikely to expand.

We can import raw materials more generously from other parts of the world, thus giving Europe a market elsewhere. But that is uncertain.

We can forego the development of our own foreign trade and attempt to find an outlet for expansion in our domestic market. But that would require us to conjure up a new huge industry as big as the present automobile business.

None of these possibilities seems likely of realization within the next decade. Meanwhile we stubbornly refuse to adjust our tariff to meet realities. Mazur concedes that readjustment will be followed by distress in industries that are affected.

If we are willing to allow an increase in our imports, our exports can also be increased. If we want more export business, we must accept more imports. It should be clearly understood, Mazur warns, that the maintenance of the present volume of five billions of exports will sooner or later require an import total of five and one-half billions.

In short, to hold our present foreign markets, we must buy an additional 1,300 million dollars' worth of imported



PAUL M. MAZUR

Partner, Lehman Brothers, New York bankers, and author of "America Looks Abroad"

goods. If we wish to double our export business in the new decade, we must face the prospect of more than doubling our imports.

These are facts from which there seems to be no escape. It is strange that business men are so unwilling to face them. Mazur's book is evidence that bankers are bowing to the inevitable. Many other volumes presenting the thesis will follow, and finally we shall have a new political alignment on the tariff question.

The closing chapters are a survey of the domestic problems of Europe, from the American point of view. Mazur believes that Europe's industrial weakness lies in its failure to cultivate its own people as consumers. Thrift, low wages, and the caste system, have kept the masses poor. A fundamental change in philosophy is necessary. Europe must embrace the philosophy of consumption, an aspect of democracy that has brought

prosperity to the United States.

"America Looks Abroad" is recommended to business men who try to penetrate the future. If we are to capture a larger share of the world markets, we must help to create customers with purchasing power, just as we have done at home.

At home we recognize that a man without a job is not a potential customer. The identical reasoning must be applied to foreign trade. Unless we are willing to employ foreign labor by buying its product, we shall have no market for our own wares.

If we accept this fact and put our house in order, Europe will be restored to economic health and our trade will expand beyond our dreams.

ROBERT R. UPDEGRAFF<sup>2</sup> proposes that business executives strive to clear their desks so that they may be free for loafing after 3:00 p. m. Only when a man is in a loafing mood can his subconscious mind work effectively, Updegraff contends.

At three o'clock, with his work out of the way, the executive should light a cigar, throw his feet on a table, and read a newspaper, a book, or gaze out of the window. He should not try to think about his business, but despite himself he will find that ideas pop into his mind.

He may find that he needs a pad and pencil to make notes. The best ideas for the promotion and expansion of his business will come in this period when he is not trying to work at all.

Updegraff explained his theory to a

<sup>2</sup>The Subconscious Mind in Business, by Robert R. Updegraff. A. W. Shaw Company, Chicago. 75 cents.

<sup>1</sup>America Looks Abroad, by Paul M. Mazur. Viking Press, New York. \$3.



2

## YEARS LATER...

Production Increased 20 to 22%  
per unit of labor...

by—

MAY'S

BONUS

METHOD

J. D. Campbell, Vice President in Charge of Manufacturing, and S. M. Broadus, Auditor, of the Detroit Stoker Company, Monroe, Mich., say:

"Two years ago we retained George S. May Inc. to replace our existing wage payment plan with the May Bonus Method. Under wage incentives based on accurate time studies of our factory operations, 80% of our shop employees and foremen are now averaging 20 to 25% higher earnings. Because the men work more steadily under a bonus plan, individual cases indicate a production increase of 20 to 25% per unit of labor. In 1929 an unprecedented increase in sales was easily met with a minimum addition to our force. Today, not a man would willingly return to the day rate basis."



George S. May's Bonus Plan for employees and foremen assures Detroit Stoker Co. more pieces per machine and greater production per unit of power.



The quotations used in this advertisement are from a Gould Report of the Detroit Stoker Company, Monroe, Mich., and are guaranteed authentic. More detailed reports and data on other May installations may be had on request.

GEORGE S. MAY INC.

COST REDUCTION • SALES ANALYSIS • COST SYSTEMS • APPRAISALS

2600 North Shore Avenue, Chicago

122 East 42nd Street, New York



## III DON'T LET YOUR CHECKS LABEL YOUR BUSINESS:

### "OUT-OF-DATE"

If you are still writing your checks in the old-fashioned way, they are labelling your business "Out-of-Date."

Today, every business is judged by the outward marks of success, alertness, up-to-the-minute methods.

Checks written on the Instant Safe-Guard Check Writer are business builders, for they carry the unmistakable suggestion of accurate, efficient, business-like methods.

That is why modern firms, everywhere, have standardized on Safe-Guards.

**Speed:** The Instant Safe-Guard moves swiftly, a high speed machine for a fast moving age.

**Maximum Protection:** One quick stroke fills the amount line and macerates the payee's name—otherwise a vulnerable spot.

**"Personalizes":** Every Safe-Guard is equipped with your own registered number or, if preferred, your special private trade mark or name—additional protection against forgery.

**Insurance against Loss:** A \$10,000 indemnity policy, issued to every purchaser, insures against loss through forgery or alteration.

**SAFE-GUARD  
CORPORATION**  
Lansdale Penna.



**Write for details and  
demonstration.  
No obligation to buy.**

*When writing please mention Nation's Business*

Michigan manufacturer, who retorted, "This six-hour day you have been talking about would never work with me. When I am at the home office I have to concentrate for long hours."

But the same man confessed, "Give me 24 hours on a train and I can get a wonderful rest. In fact, that's where I get my best ideas—on the train."

What this meant was that the manufacturer employed his subconscious mind when he was away from the office. Instead of a six-hour day, he probably averages a four-day week. The result is the same. He enjoys ample time for relaxation.

To support his thesis, Updegraff quotes this paragraph from Thoreau's journal:

"The really efficient laborer will be found not to crowd his day with work, but will saunter to his tasks surrounded by a wide halo of ease and leisure. There will be a wide margin for relaxation to his day. He is only earnest to secure the kernels of time, and does not exaggerate the value of the husk. Why should the hen set all day? She can lay but one egg, and besides she will not have picked up materials for a new one. Those who work much do not work hard."

Updegraff's philosophy is developed in his book called "The Subconscious Mind in Business."

FROM "Humanity Uprooted," I obtained my first clear picture of the Russian revolution.

This book by Maurice Hindus is a vivid and moving story of life in Russia on all sectors. It tells about the collapse of religion, the substitutions for religion, the deflation of property, and the elevation of man. It presents an understandable study of sex, love, and the family as they exist in the new era.

Separate chapters are given to the peasant, the proletarian, the communist, youth, the intelligentsia, the Cossack, the Jew, and woman. The reader learns what is the place of each in the new arrangement, what privileges have been lost, and what rights have been gained.

The final section outlines Russia's attitude toward foreign affairs, and tells of her impending troubles with England in the Far East, and of her admiration of American industrial triumphs.

The Russian scheme may turn out a colossal failure without parallel in human history, but whatever the outcome, it will have been a gorgeous experiment. It seems inconceivable that the communistic ideals will be realized, but even

if they are not the effort will not be without some gain.

To one who understands human nature and is therefore suspicious of the ability of any ruler to change it, most of the boasts and hopes of the communists seem utter nonsense. Yet one must admire the shrewdness of the management who have recognized, for example, that religious ritual cannot be abolished without supplying a substitute.

Appropriate ceremonies, therefore, have been devised for birth, marriage, and death.

New words have been written for the hymns that stirred the emotions. The new hymns extol and praise the revolution and not God.

Instead of religious statuary and pictures, the home of the peasant and proletarian is decorated with colorful revolutionary posters printed in Moscow.

A dissenter from communism may get smug satisfaction from the remarks of a peasant who interrupted the oratory of the chairman who was introducing Hindus to a group in a small village. The young chairman was working his way to a grand climax, extolling the achievements of the government, when an elderly farmer boomed out in a voice as startling as a thunderclap:

"Words, words, words, only words!"

Barefooted, bareheaded, with a flowing beard and in a soiled linen shirt, he raised his arms high as though to quiet the murmur of protest that his interruption had called forth.

"All for the benefit of the foreign visitor," he drawled mockingly. "Showing off. Look at me. I am the truth, the sole putrid truth in this beastly land."

DENUNCIATIONS hailed on him from every direction but he paid no heed to them.

"I am 65 years of age. The Soviets did give me land, but what shall I do with it? Can I eat land? Can I? I have no horse, and what can I do on land without a horse?"

The chairman sought to quiet him but he raced on.

"In the old days," he shouted, raising his voice above the tumult that had broken out, "we had a Czar, landlords, exploiters, and yet I could always buy a horse if mine died, and boots too, and all the calico I could pay for. And now there is no Czar, there are no landlords, there are no exploiters, and yet, no

<sup>1</sup>Humanity Uprooted, by Maurice Hindus. Jonathan Cape and Harrison Smith, New York. \$3.50.



horse, no boots, no calico, nothing. Remember that, stranger."

The author turns this denunciation of the government into a tribute to sovietism. In the old days he recalls that the peasant was a cringing creature, as docile as the dog of a cruel master. That the peasant now dares to speak out and express his feelings, is a real gain, in the opinion of Hindus.

The new marriage and divorce laws in Russia offer embarrassment to well-to-do men, because of abuses that have developed. Servant girls who find themselves with unwelcome babies often fix responsibility for fatherhood on the men who employ them, and only because, if the girls win, they obtain a higher allowance from their employers than from the guilty parties, who may be only proletarians.

That, we are told, is why men prefer older women as servants. They may be spies, but they cannot set alimony traps.

In the main, the book is a glowing and sympathetic exposition of the Russian adventure. It is strongly recommended to those who are seeking a readable account of what is happening in the land of communism.

"TRUE Values in Business and Buying" is a mine of ideas for buyers and sellers. The wastes from injudicious buying are colossal, due to lack of knowledge, inferior personnel, improper standards, and lack of cooperation between departments.

The author, who has himself purchased supplies, is an advocate of high ideals in business, and he convinces the reader that the observance of these ideals is in no way inconsistent with hard-headed business. The purchasing department can be a source of great profit to a business enterprise, and the profit need not be gained at the expense of suppliers.

The day has passed when an employer looked upon his employees as pensioners; the day is also passing when a buyer may regard his suppliers as beneficiaries of his largess. Suppliers can contribute to the success of an enterprise. The good-will of suppliers is as valuable as the good-will of employees. The wise buyer cultivates an efficient supplier exactly as an executive encourages an efficient assistant.

Sellers, buyers, and executives can spend a profitable evening with this book.

"True Values in Business and Buying, by C. G. Padel. B. C. Forbes Publishing Company, New York. \$2.50.

## "Louisville Dryers Cut Our Drying Costs 53%"



"the savings over our old process financed and paid for the new equipment in less than 15 months"

If you dry any bulk material, it's wiser to own a Louisville Dryer than to compete against one. Find out how they are smashing costs and fattening surpluses in hundreds of modern plants where they used to believe that a rotary dryer could not handle their problem. Economies of 40 to 83 per cent in labor, fuel, power, material and floor space over obsolete methods are frequently reported.

Note below the five definite ways in which Louisville Drying Machinery is eliminating price competition and increasing profits in drying more than 100 different materials.

### A Preliminary Survey—Without Cost to You

A careful analysis of your drying problems by our engineering staff will not obligate you in any way. It will reveal what improvements, if any, your present methods need. The economies and possible savings will be shown in dollars and cents. You will be able to see how easily the new drying plant will pay for itself. We invite your correspondence and request for complete catalog.

*A Louisville Dryer Never  
Cost Any Buyer Anything*

**LOUISVILLE**  
DRYING MACHINERY  
COMPANY,

Incorporated

455 Baxter Avenue, Louisville, Kentucky  
Cable Address—LOUDRY, Louisville, Ky.

### 5 Possibilities in Cost Reduction

- 1 Cut your fuel bill—possibly from one-third to one-half.
- 2 Cut down the number of attendants, in many instances to part time for only one.
- 3 Save 50% to 75% of valuable floor space for other purposes.
- 4 Speed up production by affording uninterrupted operation of plant, because of continuous delivery of dried material.
- 5 And—give yourself a better quality product.



# THE PATTERN OF COMMERCE



AS SEEN BY

Raymond Willoughby



**M**EN who were boys a generation ago can take heart that the old order is not wholly in limbo. G. A. Henty is still read, and his books sell regularly. Brentano's, in the heart of sophisticated New York, does the largest retail business in these historical romances. Despite the more than 40 years that many of them have been in print, 59 titles are still available, according to Charles Scribner's Sons, the publishers.

And here is an announcement to match those rejuvenating tidings. *St. Nicholas*, another friend of our youth, published for 49 years by the Century Company in New York, is to enter a sort of second childhood under the aegis of the Scholastic Publishing Company in Pittsburgh.

Where the evidence points so directly to the persistence of demand for a distinctive type of juvenile literature, it is easy to feel that the flourishing survival must be indicative of something in American life. Whatever the significance, it seems no substantial premise for expecting a revived popularity of that sedate company of writers who put ideas in the heads of boys who were boys before the turn of the century.

Possibly there are antiquarians who collect the works of Horatio Alger, and Harry Castleman—and even the “dime dreadfuls” of the prolific Mr. Beadle. They were a part of the youth of many a captain and commoner of this day, but youth then flamed only in the bright hues of their covers. Peace to their titles. As the *New York Sun* once put it, they have been “trampled out of memory by the fugacious years or harvested by the junkman.”

## ♦ New Names for Pullmans

THE fashion of naming locomotives and Pullmans for the departed great of the land puts no strain on imagination to discover a pleasant mixture of business and sentiment. But more of romance infuses the splendid names that now grace the cars of the New Haven's two “Yankee Clippers,” the road's newest and fastest trains between New York and Boston.

The names selected for the 14 cars are the names of great ships, record makers in the brave days of sail when the graceful creations of American shipbuilders were supreme on the seven seas. Some of the names have come down to us as symbols of speed and staunchness. All are famous in the annals of the American merchant marine. And while the roll is much longer than the New Haven has had occasion to need, the names chosen are truly representative of the picturesque clipper-ship era—the

Flying Cloud, the Stag Hound, the Surprise, the Sovereign of the Seas, the Lightning, the Northern Light, the Great Republic, the Dreadnaught, the Red Jacket, the Donald McKay, the Flying Fish, the John Bertram, the Game Cock, and the James Baines.

To know their records is to admire the form and substance of the ships themselves, to see again with John Masfield,

Those proud ones swaying home,  
With main yards backed and bows a cream  
of foam,  
Those bows so lovely curving, cut so fine  
Those coulters of the many-bubbled brine,  
As once, long since, when all the docks  
were filled  
With that sea beauty man has ceased to  
build.

Where there was so much of practical vision in the building of ships, it seems only natural that the same quality of imagination should play over the choice of names, as the names so unforgettably attest.

## ♦ Planes and Saturation Points

REGISTRATION figures for airplanes and automobiles suggest that industrial saturation points are as much a matter of relativity as Einstein's theory—one licensed plane to every 19,800 people and one motor vehicle to about every 4.7 persons, the decimal fraction perhaps representing the rumble-seat vote. For every commercial plane listed by the Aeronautical Chamber of Commerce, it reports, there are 2,997 automobiles.

California leads the country in the number of licensed and identified aircraft, with 1,237 planes. New York is the only other state that claims more than 1,000 planes, having a total of 1,160. Next in order among the first ten are Illinois, Ohio, Missouri, Michi-



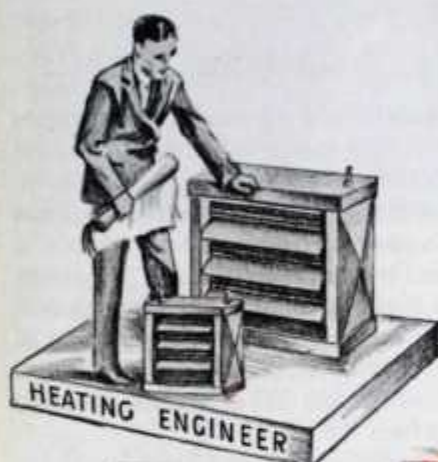
COURTESY GENERAL ELECTRIC

In this frame a giant rotor will spin at a 600-revolutions-per-minute clip



## No 2 OF SERIES

THIS series of advertisements is designed to acquaint business men with Grinnell Company as it really is. Automatic Sprinkler protection for which it first won international fame and leadership is not the chief business of the Company. Its equally high reputation for many other industrial piping specialties and commodities has been built on super-standards of manufacture and on original conceptions which are well known to engineers and architects. Businessmen, too, need to know the real quality in these products.



# THERMOLIER FOR INSTANCE

**T**HERMOLIER, a Grinnell development in unit heaters, is the best and cheapest device for heating industrial and commercial buildings.

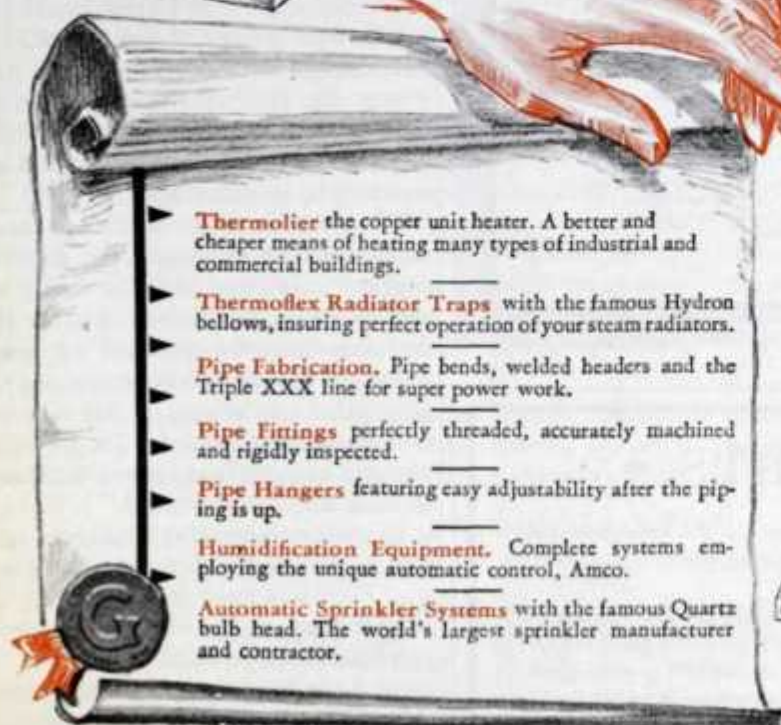
It delivers both a saving in the *cost* of heat and a surprising satisfaction in results. This new degree of satisfaction, with none of the failings and vagaries of cast iron radiation, establishes Thermolier as the *modern* installation. Into it is built 50 years of heating experience.

Ten thousand of these units have already been installed, and are daily winning preference by performance.

One small unit only two feet wide by two feet high gives more satisfactory heat than ten times its weight in pipe coils or cast iron radiation. Temperature is automatically controlled; supervision of heat becomes a thing of the past. Units are up out of the way blowing heat down.

Let our engineers help you solve your heating problem. Write today for further information and the booklet illustrating Thermolier's 14 points of definite superiority. Address Grinnell Company, Inc., 250 West Exchange St., Providence, R. I.

*The ORGANIZING HAND  
prepares for your needs*



**Thermolier** the copper unit heater. A better and cheaper means of heating many types of industrial and commercial buildings.

**Thermoflex Radiator Traps** with the famous Hydron bellows, insuring perfect operation of your steam radiators.

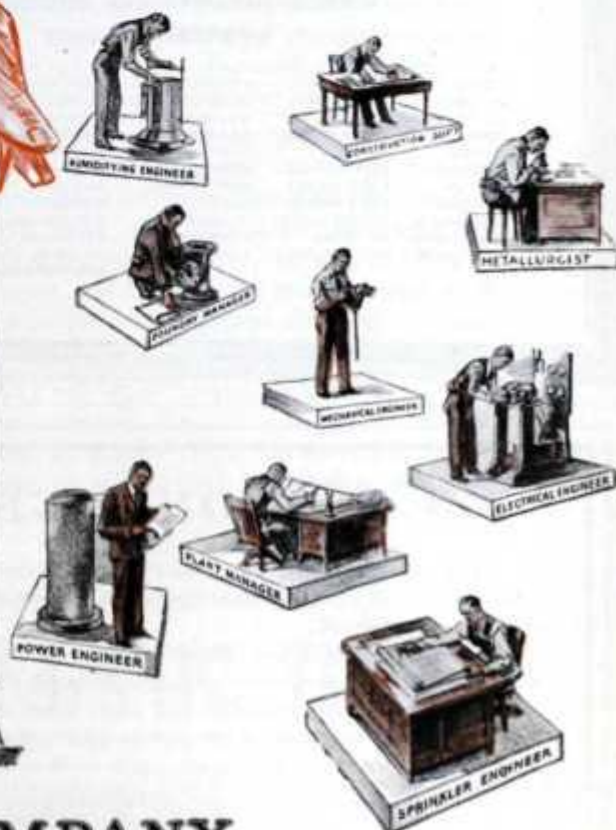
**Pipe Fabrication.** Pipe bends, welded headers and the Triple XXX line for super power work.

**Pipe Fittings** perfectly threaded, accurately machined and rigidly inspected.

**Pipe Hangers** featuring easy adjustability after the piping is up.

**Humidification Equipment.** Complete systems employing the unique automatic control, Amco.

**Automatic Sprinkler Systems** with the famous Quartz bulb head. The world's largest sprinkler manufacturer and contractor.



## GRINNELL COMPANY

Branches in all Principal Cities

Executive Offices: Providence, R. I.



## This Fascinating Game Called Business!

If there is one inspiring element, more noticeable than another in present-day Business, which lifts it to a more human plane, it is the element of Sport! Not sport as a recreation, diversion or pastime, but sport as a Game. The human game of building men and things to the service of man.

Ask any successful business man the game he likes best. Invariably the answer is, "My Business." He is *playing the Game*. No little white ball holds his eye so intently; no gun or rod, blue water or trackless sky, call to him so deeply, mentally or physically. The records he breaks are those set by his Budget:—Costs, Sales, Inventory, Turnover. His medals—profits, and the knowledge he has played the game well.

It's a Great Game—Business! Some weaken, but The Game goes on. Modern Accountancy equips this Business Game, holds the stop-watch of accomplishment and sets the goal ever higher.

## ERNST & ERNST

ACCOUNTANTS AND AUDITORS  
SYSTEM SERVICE

AKRON	DALLAS	INDIANAPOLIS	NEW YORK	SAN FRANCISCO
ATLANTA	DAYTON	JACKSON, MISS.	OMAHA	SEATTLE
BALTIMORE	DAYTON	KALANAZOO	PHILADELPHIA	TAMPA
BIRMINGHAM	DENVER	KANSAS CITY	PITTSBURGH	TOLEDO
BOSTON	DETROIT	LOS ANGELES	PORTLAND, ME.	TULSA
BUFFALO	ERIE	LOUISVILLE	PROVIDENCE	WACO
CANTON	FORT WAYNE	MEMPHIS	READING	WASHINGTON
CHICAGO	FORT WORTH	MIAMI	RICHMOND	WHEELING
CINCINNATI	GRAND RAPIDS	MILWAUKEE	ROCHESTER	WILMINGTON, DEL.
CLEVELAND	HOUSTON	MINNEAPOLIS	ST. LOUIS	WINSTON-SALEM
COLUMBUS	HUNTINGTON, W. VA.	NEW ORLEANS	ST. PAUL	YOUNGSTOWN
			SAN ANTONIO	

gan, Texas, Pennsylvania, Kansas, and Oklahoma.

As for automobiles, reports from state registration authorities to the Bureau of Public Roads show a total of 25,501,443 motor vehicles registered in 1929, a gain of 2,008,319, or eight per cent over 1928. Passenger automobiles, taxis, buses, motor trucks, road tractors and trailers, and motor cycles are included. The ten states with the highest registrations in the order of rank are: New York, California, Ohio, Pennsylvania, Illinois, Michigan, Texas, Indiana, New Jersey, and Massachusetts.

The figures indicate that motor registrations have definitely passed the 25,000,000 mark with the saturation point still in the shadow rather than in the substance. If plane makers take the totals to heart, as well they may, they will no doubt see new opportunities for more intensive ground work in behalf of aviation.

### ♦ Years and the Man

THE fact that the span of life of former Presidents has been declining since the founding of the Republic is disquieting to the editor of the Cleveland Trust Company's *Business Bulletin*. Observing that President Taft died at 72, he points out that "we must go back in the records 56 years before we find in the case of Fillmore an ex-president who came to the end of his life at a more advanced age than did Mr. Taft."

Considering the 28 former Presidents in the four groups of seven each, the average age at the death of the first 7 was 78; that of the second seven, omitting Lincoln, was 71; for the third group, leaving out Garfield, 66; and for the fourth, omitting McKinley, 66.

Those figures are susceptible to many conclusions, of course, as the *Bulletin* suggests in warning that "probably we should not be justified in drawing the inference that the business of being President has grown so onerous and exacting that the holding of that high office is too great a burden for its occupants to bear without serious detriment to their health and vitality."

In another connection it has been said just as pertinently, perhaps, that Marshal Foch was more than 60 when the World War broke out, and Georges Clemenceau 11 years his senior, but "if there have been two more aggressive leaders than these two determined Frenchmen, history must be searched with gimlet eyes to locate them."

Possibly we are working toward a demonstrable belief that years measure time and not the decay of useful vigor.

## • BEACON LIGHTS •

IN SPITE of modern instruments and charts, the captain of a vessel steaming along the coast at night welcomes the flashing beacon light which warns him of hidden reefs and shoals.

So to the business man, who carefully plans his course through the intricacies of modern industry, comes Nation's Business to point out new developments and changes, which, if unforeseen or ignored, might wreck his business beyond repair.

Nation's Business now serves 320,000 business men as a beacon which flashes them accurate information on the important business happenings of the month.

NATION'S BUSINESS • Washington • D.C.





## Of course this isn't YOUR office, but...

It is one of the major paradoxes of the modern business office that the very department wherein the maintenance of speed and the continuous, even flow of papers is imperative is entrusted very often to fallible human messengers.

There is a rhythm in American business today—whether that business be an office, an institution or a factory—which, once established, must be maintained. This rhythm is but another name for efficiency. To depend upon shambling, loitering office boys to "keep things moving" is as obsolete—and as costly—as to write long-hand letters or add a yard-long column of figures in one's head.

More and more business houses, realizing this, are eliminating it through the use of a Lamson Pneumatic Tube System. Swiftly, silently,

tirelessly, Lamson tubes speed the flow of papers between persons and departments. They "cog" smoothly and perfectly with the rhythm of to-day's business. They are the arteries of the office or the plant.

Businesses as vast as the New York Life Insurance Company are served by Lamson Tube Systems, at an enormous day-to-day saving in time and confusion. Naturally the paper-handling problem in every office is different, but there is a Lamson system to fit the smallest or the largest office, the simplest or the most complex.

Why not let a Lamson representative study your problem? He will give you a candid report. If Lamson Tubes can serve you, he will tell you so. If they can't, he will be equally honest. In any event, you will incur no obligation.

THE LAMSON COMPANY, Syracuse, New York

*A Nation-wide Organization with Offices in Principal Cities*

## LAMSON PNEUMATIC TUBES

SPEED THE DEPARTMENTAL INTERCHANGE OF PAPERS, FILES AND MESSAGES





# Where Peril Lurks in Immigration

(Continued from page 42)

made for all differences in the cost of training as well as for all other costs and advantages in different occupations. Immigration, or anything else that congests certain occupations and reduces their prosperity in relation to that of other occupations, disturbs an economic balance and prevents the highest attainable prosperity.

It is sometimes argued that immigrants are consumers as well as producers and that they increase the demand for as well as the supply of the products of labor. This argument, however, overlooks the important fact of balance. If immigrants distributed themselves at once among all occupations in precisely the same proportions as natives there would be no real disturbance of the economic system until land began to grow scarce. But even while there is plenty of land, the occupational balance may be so disturbed as to produce disastrous results if immigrants do not distribute themselves equally or proportionately.

Let us see how the argument would apply to such an occupation as farming. It is true that every immigrant



Rich natives, poor natives, immigrants

farmer is an addition to the number of consumers as well as to the number of producers of farm crops. But although farmers are the only producers, they are not the only consumers of farm crops. Any addition to the number of farmers, without a proportionate increase in the numbers in other occupations, would increase the total number of producers of farm crops in greater proportion than it would increase the total number of consumers.

As an illustration, let us take a country which has 40 million consumers of farm products, including five million farmers who are both producers and consumers. Suppose a million immigrant farmers are imported, with no importation of other workers. Let us say that each immigrant farmer supports a family of four other persons, making a total addition to the consuming population of five million.

Adding them to the existing 40 million consumers we increase the total number of consumers 12.5 per cent. One million producers added to the existing five million would be a 20 per cent increase. In short, while the importation

of a million extra farmers and their families increases the consumers of farm products by 12.5 per cent, it increases the number of producers of the same products by 20 per cent.

The result is the same in kind if not in degree if the immigrants distribute themselves among all the manual trades. Manual workers are not the only consumers of their products. Let us assume that they and their families constitute half of the total population, of, let us say, 100 millions. Of these 50 million, suppose that 10 million are actual wage earners.

Suppose, now, we import five million immigrants, one million of whom are actual workers. This adds five million consumers to the total of 100 million, a five per cent increase, and one million manual workers to the total of ten millions, a ten per cent increase.

## Immigrants make low wages

NO INFORMED person now doubts that the wholesale importation of cheap labor depresses wages and increases unemployment. It also produces other unfortunate social conditions. For instance, it widens the gap separating the social classes. It enriches those who are in a position to employ it at low wages, it impoverishes those who have to compete with it. Society tends to become stratified into three castes, the rich natives, the poor natives, and the immigrants.

In the case of the involuntary immi-



In the wide separation of classes lies the greatest danger to our civilization. Every country where it has appeared has had a revolution or is on the verge of revolution



# Power Profits Help Pay Dividends

Let the Diesel increase your profits and help pay dividends by reducing production costs. The high efficiency of the Diesel Engine makes it possible for you to retain the profits from power generation.

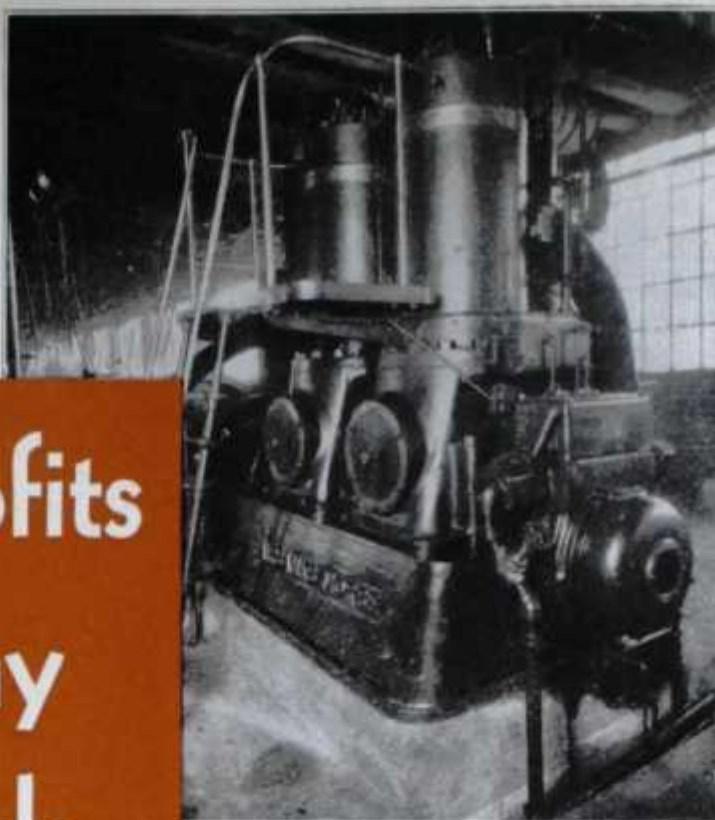
The Fairbanks-Morse Diesel Engine has made this a highly practical and sound business procedure. For the Diesel is a compact, clean, simple source of power—and more efficient than any other prime mover so far devised by modern science.

Compact!—only relatively small floor space needed and a tank holds the fuel.

Clean!—no nuisance, no problem of handling and disposing of combustion wastes.

Simple!—a Fairbanks-Morse Diesel is the extreme in simplicity in the field of power generators. A minimum of operating and maintenance attention is required.

Efficient!—Diesels use cheap, low



A 120 hp. Fairbanks-Morse Diesel in the plant of the Foots Gear Works, Chicago. F-M Diesels are made in single units of from 25 to 1200 hp., one to six cylinders.

grade fuel oil and get from it a far greater return in usable energy than other prime movers. Diesel generated power often costs as much as 50% less than other sources or methods of producing power.

As America's largest manufacturers of Diesel Engines, Fairbanks, Morse and Company have the performance records of nearly two million horsepower of F-M Diesels now in service as proof of Diesel savings. So outstanding have been these savings that this company has been able to devise a unique financing plan whereby the difference between your present power costs and the lower costs of Diesel generated power actually becomes the payments on the engines. Thus the engines earn their own purchase price.

Put your plant in position to make added revenue on power. Write today saying you are willing to receive full information.

Put your plant in position to make added revenue on power. Write today saying you are willing to receive full information.

**FAIRBANKS, MORSE & CO.**  
900 S. Wabash Ave., Chicago

32 branches at your service throughout the United States

## Some Advantages of Diesel Power

- Low fuel cost
- Low maintenance cost
- Small operating force
- Maximum dependability
- Long, useful life
- Instantly ready to deliver full power
- No stand-by losses
- Simplicity in plant design
- Small floor space
- Simplicity in operation
- No service or demand charges
- Uniformly high efficiency in all sizes of engines
- Plant can be enlarged without sacrifice of original investment or over-all economy
- Large water supply unnecessary
- No chimney, smoke, ashes
- No coal or ash handling apparatus

This booklet explains in detail the unique Fairbanks-Morse Diesel Savings Plan. It is available free of charge. Simply send for it today. It will be sent to you immediately.

THE  
FAIRBANKS-  
MORSE  
"SAVINGS  
PAYMENT"  
PLAN

# FAIRBANKS-MORSE

## DIESEL ENGINES

MOTORS • PUMPS • SCALES



**Get this FREE Book!**  
It tells how to increase sales and reduce costs. The facts it presents may revolutionize your methods of distribution.

## We'll Be Your "Branch House" In Any or All of 126 Major Cities

*Send us your merchandise . . . put your sales force to work in our cities . . . and we'll do everything your own branch house could do in the physical distribution of your goods!*

The A. W. A. Plan is a long-established, highly successful method of distribution . . . used for years by nationally known makers of foods, drugs, hardware, textiles and other commodities. This plan is now attracting the attention of manufacturers and distributors everywhere because of its proved soundness and very real economy.

This year of intense competition, 1930, has made the problems of distribution the chief concern of American business. Alert manufacturers are weighing the advantages and the costs of their established distribution machinery . . . seeking new sales outlets . . . improving their wholesale and jobbing connections . . . experimenting with direct selling.

At such a time, the A. W. A. plan of distribution offers new possibilities to every progressive manufacturer or distributor of goods—whether he sells direct or through jobbers. We receive merchandise in carload or less-than-carload lots . . . store it as long as you wish . . . distribute it when and where you instruct us. Thus you can achieve strategic "spot stock" distribution throughout the United States, Canada, Cuba, Hawaii . . . and be able to deliver your goods quicker at less cost.

Full details of our plan are described in a 32-page booklet recently published. Its title is: "Increasing Your Sales Through the use of A. W. A. Public Merchandise Warehouses." We'd be glad to send you a copy, free, and without obligation. Just address the

Public Merchandise Warehouse Division  
**AMERICAN WAREHOUSEMEN'S ASS'N.**  
1734 Adams-Franklin Building, Chicago, Illinois



When writing to AMERICAN WAREHOUSEMEN'S ASSOCIATION please mention Nation's Business.

grants of our earlier days, the African slaves, the stratification was clear and sharp. The rich whites were made richer and the poor whites poorer. The difference in the economic status of the two classes was wider than it would have been if there had been no slave labor. Because slave labor was cheap, those who competed with it had to work for low wages or not at all. Those who had to sell products of their own labor in competition with the products of slave labor had to sell those products at low prices or not at all.

The same thing was beginning to happen on the Pacific Coast in the days, first of wholesale Chinese, and later of wholesale Japanese, immigration. It did not produce such dire results as slavery in the South because it did not last so long. On the subject of restriction or exclusion, the natives of the Pacific Coast divided largely on class lines. They who found it profitable to use the cheap labor from Asia, opposed restriction, they who had to compete with it favored exclusion. The latter won. The same thing is happening again in the Southwest today. There is a wholesale importation of cheap labor from Mexico. It is already enriching some and impoverishing others. Those who profit by it are in the main opposed to restriction of immigration from Mexico, those who have to compete with it favor restriction or even exclusion.

Mexican immigration widens the gap between social groups because it is cheap labor. If it lasts as long as slavery did, it will produce results quite as bad. As far as wholesale Mexican immigration extends, it will divide the natives into the rich whites and the poor whites, with the Mexicans as a separate group.

### Classes and antagonism

IN THIS wide separation of classes, if it is allowed to exist lies the chief danger to our civilization. It is too full of dynamite to be contemplated with complacency. The social wars of previous civilizations, the class wars and proletarian revolutions of the present all grow out of it.

Every country where this wide separation has been permitted to appear has had a revolution, is on the verge of one, or is prevented from having one by a dictatorship. We need not flatter ourselves that we shall prove an exception. Our people have shown themselves quite as impatient of intolerable conditions as any people in the world. If we pursue a policy of importing indefinite quantities of cheap labor, we shall have intolerable conditions. We shall have



## TRAVELS TO THE PROVING GROUNDS OF CUTLER-HAMMER EXPERIENCE



# Feeding the fires of CIVILIZATION

**T**RULY our present era, high point of civilization, is a Steel Age. And thus the fires of the steel industry are the very "fires of civilization". Keeping them fed is a sacred duty to mankind... but just *one* of the daily tasks of Motor Control.

The fires of the blast furnaces—where steel is born—are never allowed to cool. Month after month, day and night, year in and year out, the cars or "skips" climb to the furnace top to feed its mighty maw. Under the urge of electric motor power—but directed by Cutler-Hammer Motor Control—they speed from the stock hoppers to the furnace top and back again in continuous cycles. Loads of ore, coke or limestone shoot skyward; automatically slow down for safety; stop; dump into the furnace; and the empty "skips" drop back to the hoppers; slow down; stop; reload and repeat... and repeat... and repeat.

Designing special Motor Control to do such important work for Industry has earned Cutler-Hammer engineers an enviable reputation in the field of specially built Motor Control. But it has done much more. It has given them an intimate and

thorough knowledge of all types of motor problems and made possible their greatest contribution to Industry—Cutler-Hammer standardized Motor Control. This control for the every-day uses of electric motors incorporates features which assure more accurate protection to motors permitting greater loads with safety—which provide maximum saving of steps and time—which guard men and machines from accidents—features born of pioneering work in every field.



every motor they sell, and good electrical wholesalers everywhere have it in stock for your plant's requirements.

## CUTLER-HAMMER, Inc.

Pioneer Manufacturers of Electric Control Apparatus

1251 St. Paul Avenue

MILWAUKEE - WISCONSIN

### The Final Result of This Pioneering

Cutler-Hammer standardized Motor Control has features which only pioneer engineering could produce—features which only experience covering all problems of electric motor application could perfect. Thus, Cutler-Hammer "ready-to-use" equipment meets every common requirement with reserve to spare—provides for all usual motor applications the same superior performance, safety and economy for which Cutler-Hammer specially engineered Motor Control has been outstanding throughout three decades of Industry's electrification.

# CUTLER HAMMER

*The Control Equipment Good Electric Motors Deserve*

(A-308)





## Review Your Earnings

When a stock is judged on the basis of its five or ten year earnings, management does well to review the earning history to eliminate those distortions due to inaccurate treatment of depreciation and other fixed property charges. American Appraisal Service provides the necessary data for such review.

### THE AMERICAN APPRAISAL COMPANY

*New York • Chicago • Milwaukee  
and Principal Cities*

AN INTERNATIONAL ORGANIZATION

One of the most helpful advertising handbooks I have ever seen.—C. A. Meyer, Managing Director, National Tire Dealers' Associations.

★

A masterpiece filled with worthwhile information.—W. H. Leahy, Advertising Department, Dennison Manufacturing Company.

★

We want copies for salesmen to show to retailers.—Kenwood Mills, Albany, N. Y.

★

It will be of tremendous value to retailers.—Irving C. Buntman, Secretary-Treasurer, Newspaper Advertising Executives Association.

**If** YOU are a retailer—or are interested in retailing in any way—you will want a copy of the new "Small Store Advertising". Seven media are covered including newspaper and direct mail.

Single copies—15 cents each. Manufacturers, wholesalers and others are ordering quantities; prices on request.

#### USE THIS COUPON—

Domestic Distribution Department  
U. S. Chamber of Commerce  
Washington, D. C.

Please send \_\_\_\_\_ copies of SMALL STORE  
ADVERTISING.

NAME \_\_\_\_\_

STREET \_\_\_\_\_

CITY \_\_\_\_\_

vast numbers of low-paid laborers living in daily contemplation of riches which are beyond their reach.

The very fact which makes them poor, their excessive numbers, will make them strong in revolutionary fighting. They will not be slow to perceive this. Even if they do not discover it for themselves, there will always be demagogues to point it out to them.

There is no reason, except the fatuous stupidity of certain narrow-minded, short-visioned, grasping persons, more intent upon lining their pockets than upon building a great nation, why we should ever have an excessive number of any class of workers. If we can preserve and improve our system of popular education, we shall so increase the vertical mobility of labor as to prevent the congestion of any occupation. If we can continue to encourage habits of sobriety and dependability, we shall facilitate the promotion of men to higher positions, with fewer demotions, and thus still further increase the vertical mobility of workers. If we can continue to encourage men of high talent and training to seek industrial careers, we shall expand our industries and enable them to pay higher wages to all classes of workers. If we can do all of these things, our civilization will not only be safe, it will be the best the world has ever seen or dreamed of.

## The Tangled Web of Farm Finance

(Continued from page 46)

pass upon the judgment of the Spokane banker. This particular examiner had been appointed originally because of his ardent attachment to one of the two political parties. He was in addition afflicted with a complex which we shall call "agricultural sympathy." This man found the judgment of the Spokane banker at fault and certified that the farmers of the Triangle Territory were entitled to the full benefits of the federal land bank system.

When this finding was transmitted to the president of the Spokane bank he said, "If the Board is willing to assume responsibility, I shall make loans in that region. If the Board leaves it to my judgment, I shall make no loans." The Board wisely left the matter in his hands.

Came the crash of 1920 and with it the complete cessation of rainfall in the Triangle Territory. Values withered away. Then the very members of the





A Thousand Shock Absorbers  
Under Each  
MOHAWK-Equipped Car

## THE GIANT in the TREAD



In compact, convenient form, Mohawk-Hobbs Guides give complete, accurate, unbiased touring information on all long distance travel routes. Price 20c each at all Mohawk dealers.

There is magic in the tread of the Mohawk Special Balloon comparable to beneficent genii working always for better car performance . . . Cushioning road shock . . . Improving traction . . . Promoting steering and riding ease . . . Making entirely practical and safe all the flashing acceleration and higher speeds of your modern automobile.

This revolutionary tread design and construction, by increasing tire mileage and decreasing the cost of car operation, is directly responsible for the creation of the true super-tire, the Mohawk Flat Tread Special Balloon.

FEATURED BY QUALITY TIRE DEALERS EVERYWHERE

# MOHAWKS

**GO Farther!**

THE MOHAWK RUBBER COMPANY . . . AKRON, OHIO

*For Seventeen Years Makers of Fine Tires*

*When buying MOHAWK TIRES please mention Nation's Business*



# Keeping Pace With Industry

Industrial methods have progressed at an amazingly fast pace during the half century that the Broderick & Bascom Rope Co. has been making wire rope.

To keep pace with the ever increasing demands made upon wire rope by more powerful machines, this company has devoted all its energy and accumulated knowledge.

It was not enough to make stronger ropes; but ropes in which flexibility and elasticity were so nicely combined with greater strength, that long life and economy were assured.

The designing of such ropes and the designing and building of machines to make them—even the erection of new factories to house these machines—are accomplishments of which this company is justly proud.

The most famous of these ultra modern wire ropes is Yellow Strand, distinguished from all other ropes by having one yellow strand. Its wire is drawn to our special specifications from steel of Swedish origin.

Yellow Strand is a heavy duty rope that finds best opportunity to show its mettle under severest operating conditions.

**Broderick & Bascom Rope Co.**  
St. Louis, Mo.

Eastern Office and Warehouse: 68 Washington St., N. Y.

Southern Warehouse: Houston, Texas

Western Offices: Factories:

Seattle and Portland, Ore. St. Louis and Seattle

Manufacturers of nothing but wire rope for over half a century

## Yellow Strand WIRE ROPE

N 791

In a Broderick & Bascom Aerial Wire Rope Tramway you may find exactly the economical method of haulage that you have been hoping for. Investigate!

Farm Loan Board who were most indignant at the president's refusal to respect the findings of their chief mortgage-loan examiner, demanded his head.

The influence of politics on effective regulation may be compared to an insidious friction which reduces the efficiency of all the vital parts of the machine. The farm loan system was loaded with men who thought that a sound loan depended upon the urgency with which the applicant required it.

A map of the United States showing defaulted loans will often reveal districts side by side, in the same agricultural region, with basic conditions identical, where one district has a comparatively clear loan record and the other is sunk in the red. The difference is largely due to the appraisers.

### Politics vs. business

IN A private banking system any official who permitted his political or emotional bias to influence his judgments, particularly if they resulted in losses to his bank, would soon find himself out in the cold world. In a government banking system, however, it is the dispassionate, business-minded executive who is the more likely candidate for the gate.

The political philosophy of the original Farm Loan Board unwittingly aggravated this evil. This board, created in the days of Wilsonian democracy, believed that the best government is that which governs least. It pursued a policy of decentralization. It left the joint stock banks and the federal land banks considerable independence and confined itself to the formulation of general policies and such a minimum of supervision as the law required.

After the deflation of 1920 and 1921, the Board realized that more direct control was necessary. Closer supervision required an enlarged personnel, and that, in turn, called for increased appropriations.

Unfortunately, this change of position took place at a time when the administration had set its heart on economy. All the eloquence of the Farm Loan Board supported by the Treasury could not swerve the administration from its purpose. With its hands tied by inadequate appropriations, the Board had to stand by, conscious of an approaching crisis in the land bank system, but unable to take any preventive or remedial measures.

(This is the second of four articles. In the next two Mr. Lawrence will show what has been done to improve the banks in the federal farm loan system.)





# ONLY LABORATORY-TESTED CRATES CARRY THIS WEYERHAEUSER SEAL.

*The Weyerhaeuser Seal is a symbol of demonstrated worth! It identifies only the crate that has undergone scientific study and Laboratory analysis—the crate that has been proven to be soundly designed and properly assembled. It is the mark of approval of the Weyerhaeuser Crating Engineer.*



*Identified by this seal, Weyerhaeuser Cut-To-Size Crating brings the economies of scientific planning, large scale sawing, and waste elimination to any manufacturer requiring crates individually designed to fit standard products.*

Ship your products in crates identified by the Weyerhaeuser Seal. You can then feel certain that you have provided full protection at lowest possible cost.

The Weyerhaeuser Seal is more than mere identification. It is more than a mark of quality. It marks your crate as being scientifically designed and Laboratory-tested.

It means that the design is correct in principle — employing a minimum amount of light weight lumber and an accurate method of fast easy assembly. It means that adequate strength and rigidity

for protection have been provided; that the danger of damage claims has been reduced to a minimum; that the crate is neat in appearance; and — *of outstanding importance* — the cost, both in labor and shipping weights, has been brought to the lowest point consistent with full protection.

If your lines are standardized, they call for cut-to-size

★ ★ ★ ★

For the manufacturer who is unable to take advantage of the economies of cut-to-size crates, Weyerhaeuser offers a variety of ideal Light Weight Crating Woods in standard grades and sizes. These woods are light weight, non-splitting and of ample strength to assure adequate protection, making possible unusual savings in both labor and freight costs.

crates. Use crates identified by the Weyerhaeuser Seal and you can be sure of real shipping economy.

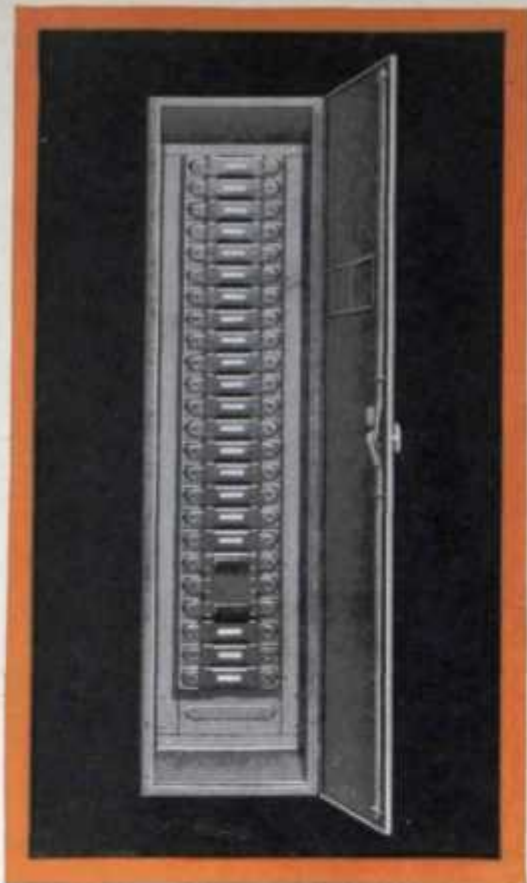
Requisition our facilities for specialized manufacture and our experience in meeting industrial requirements. The result — whether it be only an estimate of cost on the crate you are now using, or a study and Laboratory analysis of the possibilities of reducing your present shipping costs—will amply repay you.

Our nearest district representative will gladly cooperate in determining your needs.

**Crating Sales Division**  
DEPARTMENT 23

**WEYERHAEUSER SALES COMPANY**  
307 NORTH MICHIGAN AVENUE CHICAGO, ILLINOIS





Although rare foresight may be used in planning a building, the new conditions and needs of this fast-moving age will necessitate changes in its electrical distribution. BULL DOG SAFtoFUSE Panelboards, with their unit construction, are so flexible that they permit alterations and expansion by merely interchanging or adding units. Higher quality and greater safety, too, have dictated their choice for America's finest buildings.



Fisher Building, Detroit

Albert Kahn Inc., Archt.

BULL DOG ELECTRIC PRODUCTS CO.  
DETROIT MICHIGAN



*When writing to BULL DOG ELECTRIC PRODUCTS CO. please mention Nation's Business*



# The Demon Becomes a Docile Pet

By PERCIVAL WHITE

Marketing Counselor

DECORATIONS BY CHAPPELL



Eating habits change. The brand that is popular today may have a less secure place in public favor tomorrow

**A** SMALL boy entered the shop, and immersed himself in the magazine which he had an opportunity to read only once every eight weeks (that is, whenever he had a haircut). The magazine was *Puck*.

Perhaps the slapstick sketches of Howarth (that grandsire of the comic strip) intrigued him most; but for out-and-out fascination nothing compared with the cartoons of Dalrymple.

They were wonderful, those double-page cartoons! There were caricatures of Kaiser Wilhelm, on a martial throne of gingerbread. There were ribald portraits of William Jennings

the name of Merger, now, and he is a good dog. In fact, he is so good, so docile, so well liked, that his nature itself has been transformed.

Perhaps there is no industry in which there have been greater changes than in the food business. The "food trust," once rampant, seems to have been as doomed as any steer which finds his way into the Chicago stock yards. Those pictures in *Puck* proved expensive for the packers and since then they have taken pains that their likenesses should be of a more savory nature.

Their trouble, and the trouble of all the trusts, was that a trust was considered to be by its nature monopolistic. The

●  
REPORTS of new combines in the food industry, which once would have brought frenzied cries of "Trusts," cause no uneasiness today because people no longer fear that a food monopoly will starve them to death. There are reasons for this change of sentiment

Bryan, in the guise of a sea serpent, with the symbols "16 to 1" emblazoned on its tail. And there were drawings made colorful by the then-new art of lithography (for this was back in 1897), depicting a horrible monster known as the "Trust," a thing so vile as to fire one's juvenile imagination to the point of insomnia.

"You're next!"

## From "trust" to "merger"

THE barber's call released the youngster temporarily from his state of hypnosis; but the image of that hideous Frankenstein had seared itself forever on his brain.

Since 1897, the demon Trust has changed. His physical appearance has mellowed; consequently, the impression he makes on the world in general (and particularly on small boys) has altered. He is a different kind of an animal. Even his name is changed. This dog was given such a bad name that he was forced to find an alias. He answers to



# Save

SPACE  LABOR 

TIME  FIRE LOSS 

WEAR  MONEY 



For every storage problem  
in factory, store or home,  
Steel Equipment excels

Modern business cannot be hampered by antique methods and equipment. With floorspace becoming more valuable each year . . . with accurate, speedy inventories an absolute necessity . . . with permanence, fire safety and adaptability prime requirements, even old fashioned storage and display methods had to go.

The answer to this need was found in steel shelving, lockers, bins and display fixtures . . . products which do not warp or wear . . . which cut down storage and display space . . . which reduce fire hazard and depreciation.

An outstanding example of the savings to be gained with modern equipment is found in steel shelving and bins. These products, because of their great strength with small bulk . . . their adaptability to changing inventory conditions and various types of service, increase the storage capacity in a given area by one extra shelf in six. They are non-combustible . . . and combine 100% salvage value with practically no depreciation. Increased visibility improves stock

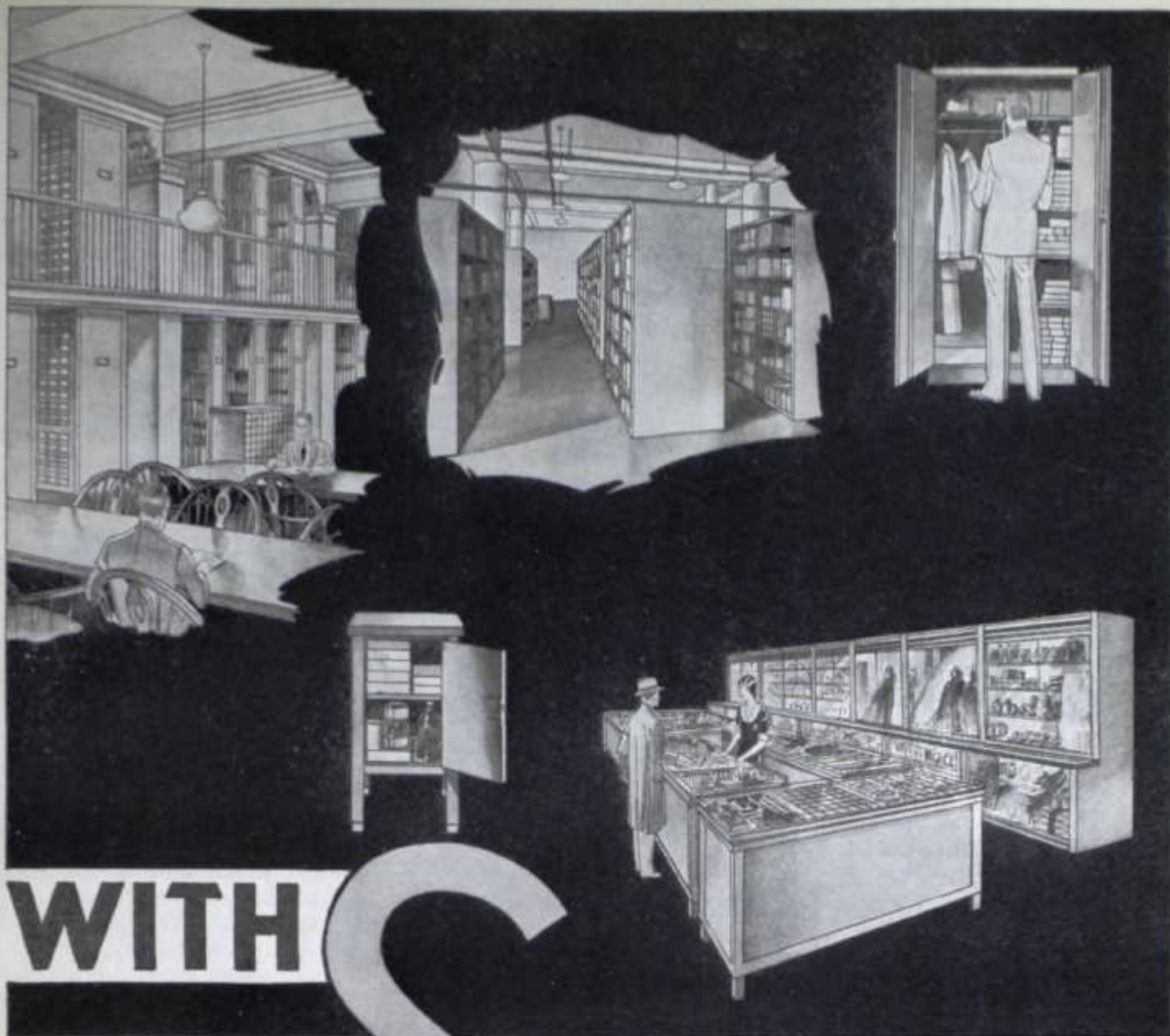
check-up and speeds the taking of inventories. So, too, with steel display fixtures. Absolutely sanitary and warp-proof with a baked on finish that defies time, modern steel display

fixtures beautify stores, increase sales and provide room for additional stock.

## The Tools of Modern Business Are Steel

Steel storage equipment performance is typical of the many savings brought to business through the use of steel products. For steel provides modern business with such serviceable tools as steel filing equipment, steel desks, chairs, safes, partitions and lockers. Just as pressed steel has revolutionized production in the plant, so is steel office equipment upsetting and improving upon old office methods of operation. If you are not familiar with the savings to be obtained from the latest developments in storage, filing, display and office equipment, write for full information. Trade Research Division, National Association of Flat Rolled Steel Manufacturers, 511 Terminal Tower Building, Cleveland, Ohio.





# Steel

SHELVING·BINS·LOCKERS·DISPLAY FIXTURES

Save  
with  
Steel



**Steel Office Furniture**  
saves space, repairs and refinishing. Drawers never stick. No splinters. Incombustible.



**Steel Building Products**  
save fire loss, life, construction costs, time and labor.



**Steel Buildings**  
save money, construction costs and time. Incombustible, salvable and adaptable to all needs.



**Steel Household Furniture and Equipment**  
saves housework. Beautiful, clean, sanitary, durable and modern.



**Pressed Steel**  
saves weight and machining expense. Reduces costs and breakage.



**Steel Lath**  
saves fire loss—redecorating expense. Provides greater beauty—eliminates cracks and lath streaks.



steel trust was simply a combination of competitors. Its purpose was to prevent the wastes of competition, or to increase the advantages of operating without competition, depending on which way you looked at it. The same was true of the Standard Oil Company.

Flint, in building the United States Rubber Company, merely put together ten or a dozen rival factories. And so it went.

But is the element of monopoly really essential to large scale operation? Not if we may judge by the food business. Take the Great Atlantic & Pacific Tea Company, for instance. That may be regarded as, essentially, a combination of noncompetitors.

It is little more than a welding together of grocery stores which do not have overlapping territories. The same applies to most of the rest of the chains in the food business. Of course the chains have had a more widespread influence on the food industry than on any other.

But in manufacturing, as well, monopoly is no longer considered an element essential to large-scale operations. Indeed, the trend is quite the other way. Even the most rabid antitrust fanatic would not say that the consolidation of a cheese company and a chocolate company was a combination of competitors. Or soap and confectionery. It would almost seem as though the aim of some of the promoters of these new enterprises had been to bring together companies with as little as possible in common.

I sought out C. M. Chester, Jr., to ask for enlightenment. Mr. Chester, as president of General Foods Corporation, speaks with authority. I suppose you might say that this concern is the leader in the new merger movement, in the food industry, at least. It is an epoch-making combine, having been brought into being three or four years ago, when the profit opportunities inherent in the amalgamation of non-competitive concerns first began to be apparent.

### No competing products

THIS merger had as its cornerstone the Postum Cereal Company. To it, were added other food companies, most of them old, established producers, like the Walter Baker Company, dating back almost to Pilgrim days. General Foods Corporation is doing more than 130 million dollars' business a year.

"We won't take competing units," said Mr. Chester. Surely, such a remark stamps this "trust magnate" as ultra-modern.

"We represent the new type of so-called circular merger, as opposed to the earlier type of horizontal merger, which was made up of competing manufacturers who sought to lessen competition through consolidation. In our program there is nothing remotely antagonistic to the principle of competition.

The only common characteristic of the companies that have become associated with us is the channel through which their products are sold. These noncompeting grocery specialty producers have associated themselves together to obtain the advantages accruing from consolidation.

"In general, these are the advantages of mass distribution. They have been pretty generally realized in this country. We

are just beginning, however, to understand that similar principles apply to distribution as well. The most evident opportunity which our type of consolidation offers, is involved in the principle of collective selling.

"Products sold through the wholesale and retail grocery trade in the past have been handled in one of two ways. In some instances a single product or a single small group of products has been sold to the distributing trade by a force of salesmen handling that product or that small group of products alone. Or, in other cases, a manufacturer has placed his product in the hands of brokers, who represented him as well as other unrelated manufacturers. These brokers, in turn, have sold the merchandise that they represented to wholesale grocers, to chain stores, and in some instances to the retail trade as well.

### Saves selling costs

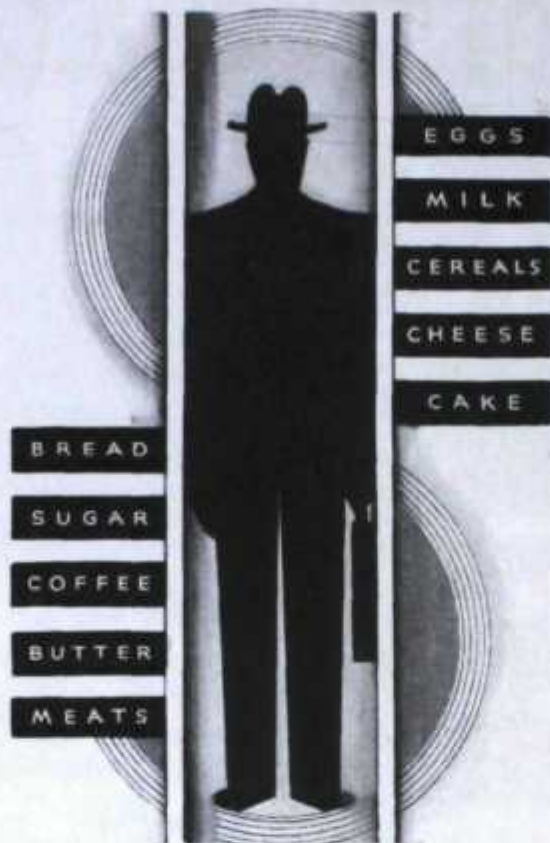
"We believe it is possible and economical for one salesman to sell a considerable group of products just as effectively and with less expense than if he were to sell one product alone. We believe, too, that a salesman for our company can represent our complete line of products more effectively, because we directly control

his activities, and with less expense to us than a broker could represent them.

"The first principle in our policy, therefore, is the principle of collective selling. In applying this principle we have sought to test its operation in a small way before applying it in a large way. As the various companies now associated with us came into the picture, we did not place their products at once in the hands of a single sales organization. By experiment, we have sought to determine the extent to which the principle was sound. In the past four years we have

operated a varying number of separate selling organizations, some handling a considerable group of products and some handling only a few. These experiments have convinced us that the principle of collective selling is basically sound.

"We are working, therefore, toward a method of operation which will place all our grocery store



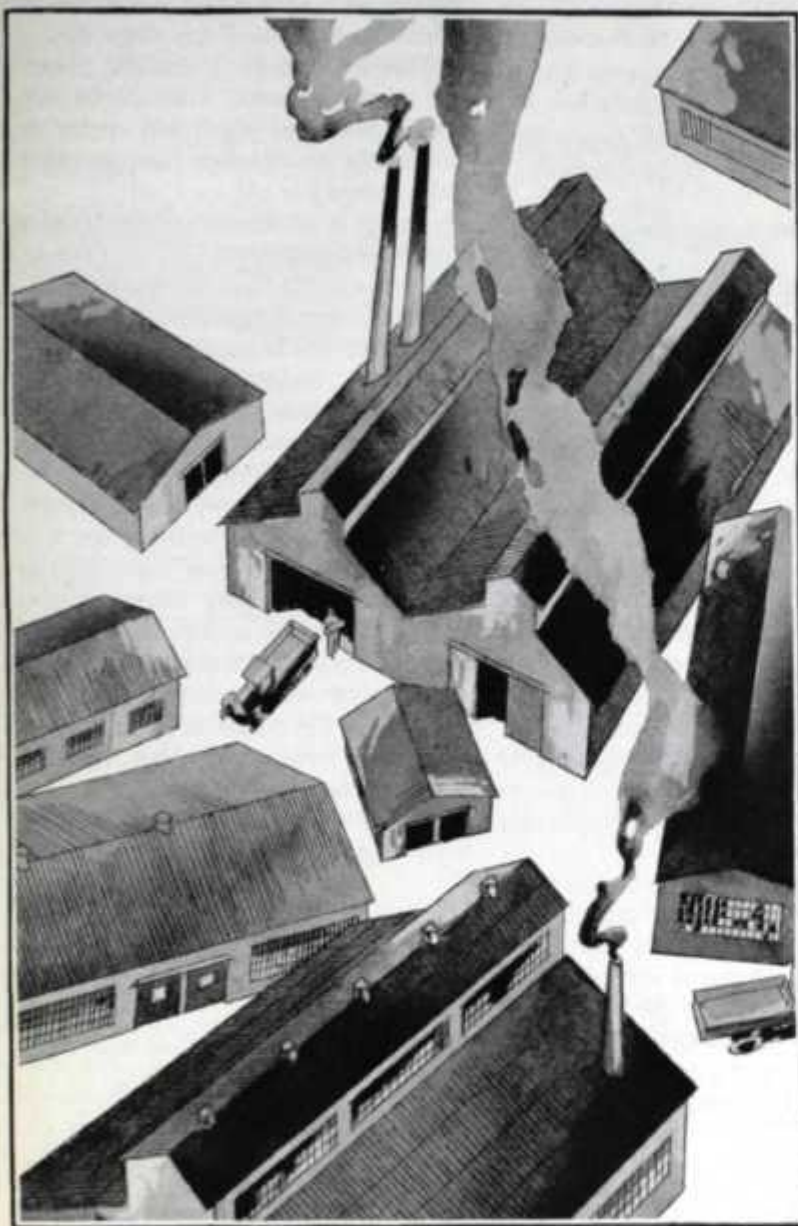
We believe a salesman can sell a group of products as well as one



Many modern mergers have no place for competing units



# YOUR CHOICE OF A THOUSAND BLAW-KNOX STANDARD STEEL BUILDINGS



The combinations possible through Blaw-Knox standard construction are practically unlimited—buildings of one story height from a small handy house to the largest all steel standard building in the world as recently furnished by Blaw-Knox to a nationally known railroad. These are the lowest priced good buildings it is safe to buy. They are constructed throughout from standard parts of copper-alloyed, galvanized steel designed to defy time and weather. They are firesafe and require little maintenance to prolong their usefulness indefinitely—none have ever worn out. Let us quote on a building to meet your requirements.

## BLAW-KNOX COMPANY 2032 Farmers Bank Building, Pittsburgh, Pa.

New York	Philadelphia	Cleveland
Chicago	Birmingham	Detroit
Boston	Buffalo	Baltimore

### Export Division

Milliken Bros., Blaw-Knox Corp., Canadian Pacific Bldg.,  
New York, N. Y.  
London, England, New Oxford House,  
Bart St., Holborn, W. C. 1.  
Paris, France, 1 Rue de Clichy  
Milano, Italy, 6, via S. Agnese, 6

Ask for these two books—  
BLAW-KNOX STANDARD STEEL BUILDINGS  
and  
BLAW-KNOX ALL STEEL HANDY HOUSES





## Good valves good investment

To install Jenkins Valves throughout an office building or factory is an investment that pays a high return in low maintenance. Excellence of design and manufacture invests every Jenkins Valve with the quality to give long, unflinching performance in any building service. Jenkins Bros., New York, Boston, Philadelphia, Chicago.

**Jenkins**  
**VALVES**  
Since 1864

—JOHN HANCOCK SERIES—

## Group Life Insurance links the home and the job in a practical way

IT shows the interest which the employer has in the financial problems of his workers, through his willingness to provide a protective solution.

Six million employees, the estimated number covered under approximately 9 billion dollars of Group Insurance now in force, testify to the value of the plan.

Our booklet, "Management, Men and Motives" is proving of value to executives in all lines of industry. A copy awaits your request.

INQUIRY BUREAU

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS  
N. B. Over Sixty-seven Years in Business

items, or most of them, in the hands of a single selling organization representing our distributing subsidiary, General Foods Sales Company, Inc. The territory of each man, whether his function is to call on the wholesale or the retail trade, will be so reduced in size that he can see his customers frequently.

"The savings in travelling expenses and through the reduction of unproductive time are obvious. Equally important is the opportunity to attract and retain high grade sales representatives who find in our method of operation increased opportunity for personal advancement and for the recognition of outstanding services.

### Collective selling

"IF A product is the type that must be sold in some special way (for example, Hellman's Blue Ribbon Mayonnaise, which is sold from trucks direct to the retail trade), a separate group will handle it and possibly allied products also. In other words, the principle of collective selling will be applied where it is economical to apply it, but not to an extent which will prejudice the position of any product in our line.

"The principle of collective selling has an important application in connection with products going to the institution trade—hotels, restaurants, and public institutions. Especially skilled salesmen, contacting with this class of trade, can readily handle a considerable group of products.

"From the standpoint of the investor, our type of consolidation provides many of the best features of the investment trust; that is, his risk is spread over a variety of products. Eating habits change, and it is conceivable that at some future time any single food product might find a lessening market. In

our plan, it is equally conceivable that this will be offset by increasing demand for some other product.

"Research is as important to the food manufacturer as to the manufacturer in any other line. The small manufacturer normally cannot afford the facilities to watch all trends that might affect his product. By consolidating the interests of many manufacturers we are able to provide research facilities for all of them on a scale which would not be justified in the case of any single one.

"This application of scientific principles to our business, with special emphasis on studies which will enable us continually to develop new products and to adapt our old ones to the changing trends is an important part of our program."

There are, of course, other advantages in this type of organization which Mr. Chester did not cover. The centralization of important administrative duties in the hands of a small group of highly trained men produces both efficiencies and economies.

This company is only one of several combines in the food business, but it is typical of a new type of consolidation which has been widely discussed, and to a considerable extent imitated, although its purposes and advantages are perhaps not well understood by the public. But the public at least appears to *feel* less vehemently about this sort of thing than it used to about the Trust. And it does not think—not yet, at least—that business has gone merger-mad.

In our program there is  
nothing remotely antagonistic  
to the principle  
of competition





MODERN

PERSONAL TRANSPORTATION

*...now no more costly  
than motoring*



(Above)

Improved 1930 Great Lakes  
Sport Trainer • now

**\$3150**



**S**PORT among the delicate wisps of cirrus clouds, up where it's always cool, where there's a thrill in every lung full of clean, wind-swept air. Or swiftly, in clean comfort, travel to social engagement, to business appointment . . . now at the cost of motoring in a good car!

The trim, safe, speedy and efficient Great Lakes Sport-Trainer is a ship you'll be proud to own . . . proud to have your friends see you fly. It costs but \$3150, flyaway at Cleveland. Operating and service costs are proportionately low. Your Great Lakes dealer teaches you to fly your Great Lakes ship; gives you sound instruction, guides you to your pilot's license. He maintains a storage hangar; provides expert service at a reasonable cost.

You'll want to get in touch with this man . . . your local Great Lakes dealer. He's an aviation leader in your community. If you don't know his name, write us for full information. No obligation involved. Address a card or letter to Service Manager, Great Lakes Aircraft Corporation, Cleveland, Ohio.

*Manufactured under U. S. Department of Commerce Approved Type Certificate Number 228*

**GREAT LAKES**

C O R P O R A T I O N

Contractors to the United States



**AIRCRAFT**

C L E V E L A N D

Army and Navy ~ ~ ~ ~

*When writing to GREAT LAKES AIRCRAFT CORPORATION please mention Nation's Business*





*The transmission that is*  
**protected**  
*against failure*  
*at all four points*

**F**RICITION and wear... enemies of efficiency... handicap transmission at four points: through side meshing contacts, too many parts, materials not entirely equal to the job, and parts inaccurately made.

Diamond High-Speed Roller Chain is protected at all four points.

All Diamond Chain contacts are *rolling contacts*: each link is a roller bearing. Parts in Diamond Chain are reduced to a minimum: there are only four parts in each link.

**ROLLING  
SURFACES  
DISCOURAGE  
WEAR**

The construction permits the contact-parts to be treated for utmost resistance to wear; their durability is not compromised by treat-

ment for tensile strength. And all parts are machined to tolerances a metal worker would call close.

These characteristics make Diamond Chain 98-99% efficient up to 3600 R. P. M., up to 672 h. p.—and have won a place for Diamond Chain in 112 major divisions of American Industry... where economy, efficiency and freedom from trouble are valued to the utmost.

The booklet 102-A "Reducing the Cost of Power Transmission", describes Diamond Chain completely. It describes the flexibility, quietness, efficiency on long or short centers, compactness and other advantages of Diamond High-Speed Roller Chain. It shows many instructive and significant applications where Diamond Chain has cut costs, improved quality, reduced production-delays. Write for a copy.

DIAMOND CHAIN & MFG. CO.  
417 Kentucky Ave. Indianapolis, Ind.

**DIAMOND CHAIN**  
ROLLING AT POINTS OF CONTACT

*In the July Number of*

**NATION'S BUSINESS**



A LARGE NUMBER of the things we use daily—electric lights, phonographs, as well as innumerable improvements to telephones, telegraph instruments, and radios—we owe to Thomas Alva Edison.

In July Gamaliel Bradford, a well known writer of biographies, gives a searching character study of Edison... his philosophy, his interests, and his achievements. You will find it an interesting analysis of one of America's greatest men.

## Do You Plan to Sponsor a Radio Program?

(Continued from page 30)

plenty of imagination in building a musical program of any kind. He will find men and women who are doing a lot of interesting experimenting with dramatic writing and acting. He will find that they possess a good working knowledge of that ability to put one's self in the listener's place and make everything clear and effectively proportioned, that ability which is often somewhat vaguely described as "showmanship."

Few of them, of course, have more than a superficial idea of what advertising is all about. How could they? Most of them have been chosen for their musical or literary background or for experience on the stage.

### Help for the agencies

THE BEST thing that these service staffs could do for themselves, as well as for broadcasting, would be to educate the greatest possible number of advertising agency executives in the technique of broadcasting. Several agencies, each one concentrating its creative ability on a small number of programs, would produce a better result over a hundred radio programs than a single staff which must, of necessity, spread its ideas thin.

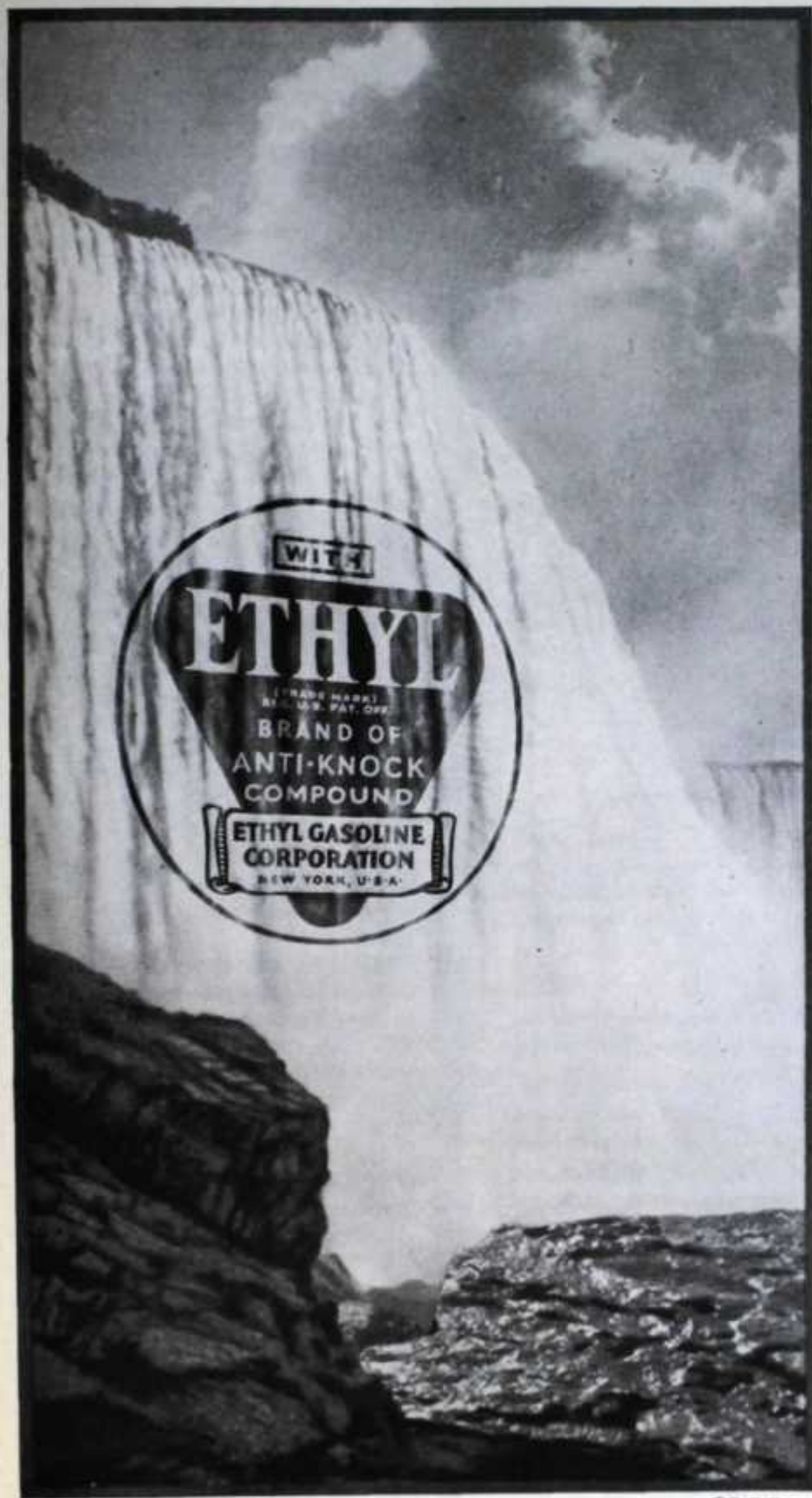
So far the service staffs do not recognize this fully. Yet a study of advertising history makes it clear. The advertising agent was originally a salesman of space. The necessity of filling his client's space with pictures and words that would make the advertising pay developed the present highly organized advertising agency.

No national magazine today maintains a service staff of artists and writers. The advertising agencies produce the advertisements. Few newspapers and business papers maintain service staffs. When they do, it is only to serve the small or new advertiser. They know that the business of making advertising pay is considerably more than writing words and drawing pictures. They are content to offer facilities for reaching an audience. How that audience is reached and what is said to it—that, they believe, is the agency's job. The true test in broadcasting will come when the novelty has worn off. Then advertisers will use it because it can be made to pay. But there is considerably more in that than words and music.

Already some agencies are fitting



# Over *one billion* gallons of Ethyl a year



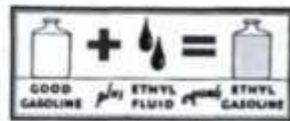
**A** NIAGARA of Ethyl Gasoline—over *one billion* gallons a year—now flows through the pumps bearing the Ethyl emblem.

That emblem means two things: 1. Each gallon contains enough Ethyl anti-knock fluid to "knock out that 'knock'" in cars of average compression and develop the additional power of the new high-compression cars. 2. Each gallon must conform to the specifications of the Ethyl Gasoline Corporation as to the quality of the base gasoline used—in volatility (quick starting) and minimum gum and sulphur content.

So remember that wherever you see the Ethyl emblem on a pump—no matter what oil company's name or brand is associated with it—it means "good gasoline of high anti-knock quality."

Remember too that while Ethyl Gasoline is colored red for identification, not all red gasolines are Ethyl. Always look for the Ethyl trademark on the pump.

Ethyl Gasoline Corporation,  
Chrysler Building, New York City.



#### ETHYL IS GOOD FOR ANY CAR

Don't make the mistake of thinking that Ethyl is meant only for big, new, high-compression cars. Thousands of owners of small cars, old cars—cars of every sort—have found that Ethyl does just as much for them.

*The active ingredients now used in  
Ethyl fluid is tetraethyl lead.*

© E. G. C. 1930

# ETHYL GASOLINE





# A Modine Heat Curtain

Here was the problem:

How to heat the airplane hangar with doors 30 to 60 ft. wide being opened frequently.

The answer: Modine Unit Heaters.

In the Stewart Aircraft Corporation hangar above two Units are suspended to face the doors and throw a "heat curtain" to smother cold air that naturally flows in with the opening of the wide doors. On severe days comfortable temperatures are maintained.

What discomfort—what expense old methods of heating would mean to this new industry.

Are old methods causing discomfort and needless expense in your plants? Get complete facts about Modine Unit Heaters that suspend from the steamline, deliver heat down and keep it down before you answer this question. Write today for our newest catalog.

**MODINE MANUFACTURING COMPANY**

Manufacturers of

Unit Heaters—Domestic Copper Radiation—Automotive Radiators  
1710 RACINE STREET RACINE, WISCONSIN

Branch offices in all large cities

London Office: S. G. Leach & Co. Ltd., 26-30 Artillery Lane.



# Modine

Unit HEATER



© 1930, Modine Mfg. Co.

themselves for this new service. It has been necessary for them to create radio bureaus within their own organizations. A radio program as it exists today puts special emphasis upon music. It follows that men and women with a musical education must be engaged. Some advertising agencies have chosen for this work executives who were already well grounded in the fundamentals of advertising and had been engaged in other forms of creative work more directly concerned with the older kinds of advertising. It seems obvious that a person with this sort of training, granted an equal education in music, can produce a more effective broadcasting program for an advertiser than one who is familiar solely with music.

Writers of advertising copy have to receive special training before they can produce even the announcements for a program. Of course, every word spoken over the air is not only carefully prepared but is discussed in both the advertising agency and in the organization of the advertiser.

## Drama proves effective

A SPECIALIZED training, too, is required for dramatic writing, which incidentally is undoubtedly on the increase in radio programs. Many people still maintain that they "do not like talk on the air," but a dramatic program, skillfully done, attracts a more compact but also a much more loyal audience than the conventional type of musical program.

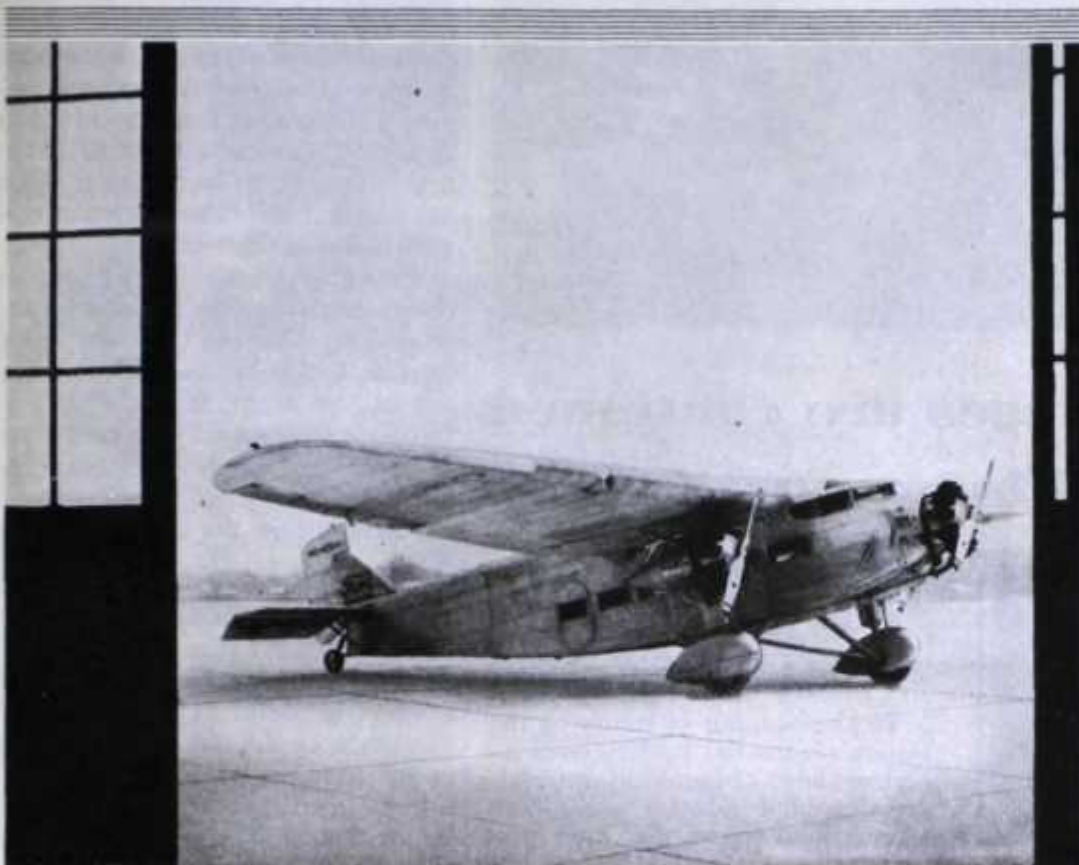
People capable of directing rehearsals must be developed—people who can work with a conductor of an orchestra, with temperamental great artists, with actors and even with the lowly devices which produce the so-called sound effects.

They must know how to recognize a weak spot in a proposed program as it develops in rehearsal. They must have a background which enables them to suggest, sometimes instantly, a substitute number for the orchestra or for a vocal artist. They must be able to tell an actor how to give an effect of foreground, middleground and background before the microphone. They must know how to create a sound that resembles the closing of a door, the whirl of an airplane propeller or the surge of water at the side of a boat, as well as the more conventional windstorms, thunder, revolver shots, trains and horses' hoofs.

They must be able to time a program down to the second—and then be able to know at any stage of a broadcasting



# ...ALOFT IN LUXURY



*Like an albatross of burnished silver . . .  
the new Ford de luxe club plane*

THE NEW Ford all-metal, tri-motored club plane meets delightfully all the demands of the most exacting yachtsman of the skies. Fundamentally it is designed as close to mechanical perfection as possible, with all the strength and extraordinary performance ability for which Ford planes are famous. This great new plane permits you to forget the mechanics of flight. It gives you the freedom, the exhilaration, the full joy of sailing at will across the skies in club comfort.

Beautiful as a jewel, it spreads its wings like burnished silver, to fly with the grace of an albatross over sea, over land, over deserts or arctic wastes. Here, truly, is a yacht to be proud of! Here, above all things, is the worthy vehicle of the modern man of spirit and imagination!

## FORD MOTOR COMPANY

*Visitors are always welcome at the Ford Airport at Detroit*

### *New de luxe club plane*

Mechanical features are similar to those of the famous Ford 5-AT: Built of aluminum alloys, lighter than wood; powered with three Pratt & Whitney air-cooled motors, with total of 1275 horse-power; a capacity of nine passengers plus a pilot and mechanic. Cruising speed over 115 miles an hour, for hundreds of miles!

In addition, the de luxe club plane contains kitchenette, folding berths, radio cabinet, writing desk and book case. Seven overstuffed chairs and a two-place divan. Card tables and serving trays. Refrigerators and thermos cases. A lavatory with toilet, running water, towel racks, and closets for luggage, guns, fishing tackle or golf sticks.

Walls and ceiling are sound-proofed.

The entire interior is beautifully trimmed and decorated, in choice fabrics. Individual ventilation at each window. Dome and wall light and heat register in floor add to the comfort and luxuriousness of the plane. Tile walls in kitchenette and lavatory.

The pilot and mechanic in their forward control cabin have every mechanical device necessary for day or night flying in all seasons under all conditions.

Price on request.



*The convenience of a luxurious yacht*



**Saving  
\$14,000  
per year**



**"If high wages are continued  
... handling costs must be  
REDUCED"**



In the opinion of many of the nation's industrial leaders, economical methods of handling materials have enabled industry to continue paying high wages that have prevailed since the war.

Today, hundreds of industrial executives are looking again to Elwell-Parker methods of low cost handling for the solution to the "profit problem of 1930."

The photograph above graphically shows how a Cleveland manufacturer has prepared for high wages. He has put electric power in the hands of his truckers so they can do more work with less effort, earn higher wages and yet leave a fair margin of profit for the business. The Elwell-Parker Electric Tractor in the picture is used for transporting heavy loads of pig iron and sand. The same work performed by hand labor would cost the company \$14,000 more per year than it costs to operate one Tractor. Because savings like these have a direct effect on profits, they deserve serious attention from executive management.

An Elwell-Parker Engineer can help you eliminate the costly weaknesses from your handling system. Call him—or write direct to the factory in Cleveland.

On an Elwell-Parker Tractor, the power can be applied to the wheels before brake is released. A fully loaded Tractor can thus be stopped and started on a ramp without danger of slipping back. Your safety committee will appreciate the importance of this advantage.

## The Elwell-Parker Electric Co.

**SHIP on  
SKIDS**



*Designers and Builders of Electric Industrial Trucks, Tractors and Cranes for 24 years.*

4251 St. Clair Avenue, Cleveland, Ohio

**Tractors**

*When writing to THE ELWELL-PARKER ELECTRIC CO. please mention Nation's Business*

program whether they are running behind or ahead, and how to make a correction and signal it from the monitoring booth without frazzling the nerves of the artists who are broadcasting.

Then there is the business side of an agency's radio bureau. It must know all that it can learn about the coverage of various stations, how they vary at different seasons, what effect daylight saving has on broadcasting, the habits of the people in different parts of the country who will receive a network program at different times in the evening. Do people in San Francisco dine earlier than people in Boston? What time is dinner time on the farm? When do women want talks on home economics and beauty?

They must know rates and contract clauses and must be familiar with the astonishing situation that now exists in some stations where local programs are sold for many times the revenue brought to the station by a chain program.

### Advertising the advertising

SUCH a department must be able to propose to an advertiser ways of bringing his program to the attention of the public, by window streamers for the stores of his dealers, by counter cards, by newspaper publicity and advertising on the radio pages. It must be able to help the agency's general executives to become familiar with the technique of radio as an advertising medium so that they can explain it to their clients.

Perhaps all this will give some idea of the tremendous task which this new art has brought with it.

One subject on which little progress has been made is coverage. It is very well for a single station to claim that it reaches every state, but thoughtful advertising men ask themselves, "When does it?" "Is its coverage the same on a sultry summer evening as on a frosty clear night in winter?" "How many people were listening to a certain program last night?" "How do we know?"

Tests are made, of course. Surveys are conducted. Questionnaires are mailed. People will write for souvenirs. Advertisers have had experiences with coupons from magazines, and some of them doubt whether it proves much. Even when the cost per inquiry by radio beats the costs from magazines, does that close the argument?

Two thoughtful advertising managers expressed varying opinions in a recent issue of *Advertising & Selling Fortnightly*. Said one:

"After all is said and done, the



# IT WILL PAY YOU TO INVESTIGATE

## THE SAN FRANCISCO METROPOLITAN BAY AREA....



*These counties border on  
the San Francisco Bay area*

ALAMEDA  
CONTRA COSTA  
MARIN  
SONOMA  
NAPA  
SOLANO  
SAN FRANCISCO  
SAN MATEO  
SANTA CLARA

**I**ndustrialists, entrusted with the responsibility of securing the proper location for the establishment of manufacturing plants will readily appreciate the advantages of the San Francisco Metropolitan Bay Area.

Located on the median line of population of eleven Western states between Canada and Mexico, this area has dominant distribution facilities; is terminus of three great trans-continental railways; port of call for foreign, intercoastal, coastwise, and river steamships; center of network of intrastate railroads and highways, affording economical distribution to the entire Western market. It is the terminus of airways, express and passenger lines. In addition it is the most advantageous point from which to serve the great export markets bordering on the Pacific Ocean.

Electric power and Natural Gas are available at exceptionally low rates; labor turn-over is unusually low due to large home ownership; all year working climate; waterfront and other acreage at low cost; a wide variety and abundance of raw materials.

For further particulars regarding this area write:

**PACIFIC GAS AND ELECTRIC COMPANY**

**P. G. and E.**

*General Office, 245 Market Street, San Francisco, California*

*Serving 362 communities in Northern and Central California*

*Send for a complimentary copy of "Outstanding Features of the P. G. and E."*

Ind.-2-39



## Calm and Cool and Quiet



High and cool, ivory and crystal . . . the Main Dining Room of Hotel Cleveland offers easy-to-reach relief from business cares and tiresome routine.

Music by the Little Symphony Orchestra and service that is deft and quiet and intelligent, help to soothe and relax nerves worn by travel.

And the food is always a delight! Even simple salads have a manner, a freshness that revives appetites. Then, for adventures in deliciousness, there are canapes, sea foods, wondrous entrees, desserts of rare fashioning that are a treat even to epicures.

Come, alone or with guests, on your next trip to Cleveland. You'll enjoy all the pleasures and delights of a trip to some far-famed French cafe, plus all the conveniences of a modern metropolitan hotel.

**HOTEL CLEVELAND**  
PUBLIC SQUARE • CLEVELAND  
1000 ROOMS. 150 OF THEM AT \$3

*The new Union Passenger Station is directly connected to Hotel Cleveland by enclosed passageway. A Red Cap will take your baggage the few easy steps to the Hotel desk.*



several broadcasting systems, as well as the individual station owners, will have to begin to present serious facts as to the 'coverage' they are selling to advertisers. Perhaps the time is ripe for the radio industry to sit down with representatives of the A. N. A. and of the A. A. A. and work out a plan for a national check-up of radio circulation under the supervision of these two organizations and at the expense of the sellers of time on the air."

Said the other:

"Has anybody ever conducted an investigation of great national magazine circulation to determine how many folks actually see a given advertisement in a given issue?"

"That is one of the things you would try to find out in a radio investigation. Failure to find it out should not be construed as a slap at radio as an advertising medium. The identical problem has puzzled magazine advertisers for years, and as yet there has been, to my knowledge, no solution."

Putting it another way, broadcasting contains most of the older problems of advertising as well as some new ones of its own, which is why it is interesting.

It needs time to make itself felt, like any other type of worth-while advertising. It needs study and patient intelligence in planning—and so do the other kinds. It is capricious, elusive, exciting. But its greatest asset is its vitality—the vitality that comes from direct contact with thousands, even millions, of homes, with a multiplied intimacy which no other form of communication can equal.

If broadcasting is to be a permanent success in this country, it must both please the public and pay the advertiser.

## Lumber from Prairies

**W**HEN the lumber supply of the Northwest is gone, what then?

"We will get our lumber from the prairies," say the chemists.

How?

According to chemists of the United States Department of Agriculture, the manufacture of various kinds of boards from farm-waste products is both "practicable and profitable."

To-day, these chemists are on a "swing around the circle" studying the possibilities of the utilization of these waste products—oat hulls, wheat straw, cornstalks and corncocks—in the building industry, and other industries.

—J. L. C.



Sioux City, Iowa  
St. Paul, Minn.  
Omaha  
Oklahoma City  
Ft. Worth



New York  
Chicago (2)  
St. Joseph  
Kansas City  
St. Louis

## Makes personal appearance in 10 cities at once

*President White of Armour & Co.  
seen and heard in Talking Pictures*

Now the busy business man can send his talking picture to distant conventions. A screen talk by F. Edson White, President of Armour & Company was seen and heard at eleven executive meetings all at the same time. "It worked to the height of perfection," Mr. White writes.

Talking Pictures are vivid and realistic. They will make a human and valuable record of personalities and events in your company; they will teach your personnel methods and processes in a manner more understandable and absorbing than was ever before possible through any mechani-

cal medium. They will give your public a compelling story of what is back of your business and how your product is made.

Western Electric, the makers of the nation's telephones, now offers business men portable talking picture equipment which assures clear and life-like sound reproduction. Use the coupon below. Send for further data. Better yet, see and hear an actual demonstration of industrial Talking Pictures at a nearby office of Electrical Research Products Inc., distributors of the equipment.

**Electrical Research Products Inc.**

*Distributors of*

**Western Electric**

PORTABLE TALKING PICTURE EQUIPMENT

**Electrical Research Products Inc.**

250 West 57th Street, New York, N. Y. N. B. - 2

Gentlemen:

Please send booklet telling how I can use Talking Pictures.

Name \_\_\_\_\_

Address \_\_\_\_\_

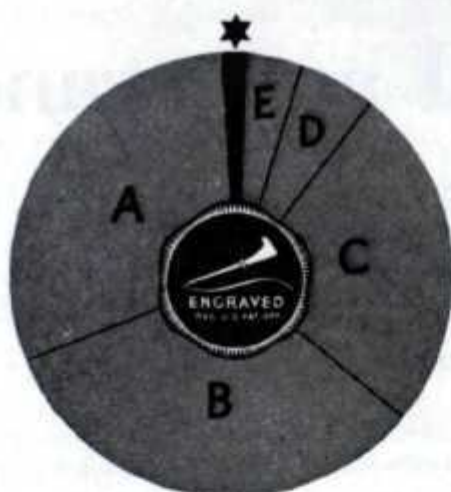


*You spend 36¢ on  
each dictated letter.... Now  
add only a fraction of a cent  
to enjoy the prestige of  
Genuine Engraved  
Letterheads*

**A**  
Dictator's Time, 10 4/5 cents—based on salary of \$45.00 weekly to correspondent.

**B**  
Stenographer, 12 cents—based on salary of \$20.00 weekly and average of 30 letters output daily.

**C**  
Overhead, 9 1/5 cents (average).



**D**  
Postage, 2 cents.

**E**  
Stationery, 1 2/5 cents.

\*  
Genuine Engraved Letterhead—just a fraction of one cent extra!

**H**ERE is positive proof of the need and value of Genuine Engraved Letterheads in your business. With such an investment in each letter, why risk an unfavorable reception? It costs so little more to have Genuine Engraving. And it means so much. For this type of stationery invariably suggests to the prospect a firm founded on the staunchest principles—solid—substantial—self-respecting. Imitations deceive no one. Make sure of receiving the real thing—look for the Mark of Genuine Engraving, not only on your letterheads, but also on business cards, greeting cards and announcements.

## What Life Insurance Can Do

(Continued from page 36)

difference between the two is that the property bond is issued against something a little more tangible and apparent.

The term "policy" ought never to have crept into insurance terminology. The word "bond" should have been used. The mystical expression "legal reserve" ought to have been "sinking-fund," and "deposit" would have been more suitable a term than "premium." All that these business terms signify in connection with property values, their analogous insurance terms signify with life values. Business is going to hear these terms used frequently by life insurance experts.

The issuance of a bond against property entails a prior appraisal of the property's value. The same will be true of the life bond when scientifically written in the future. The fact that life value is not so tangible as property value may make its appraisal a slightly more complicated task, but not an impossible one. As soon as the life value is generally recognized by business, means by which it may be appraised undoubtedly will be developed. Expert life value appraisers will become as common as expert property appraisers now are.

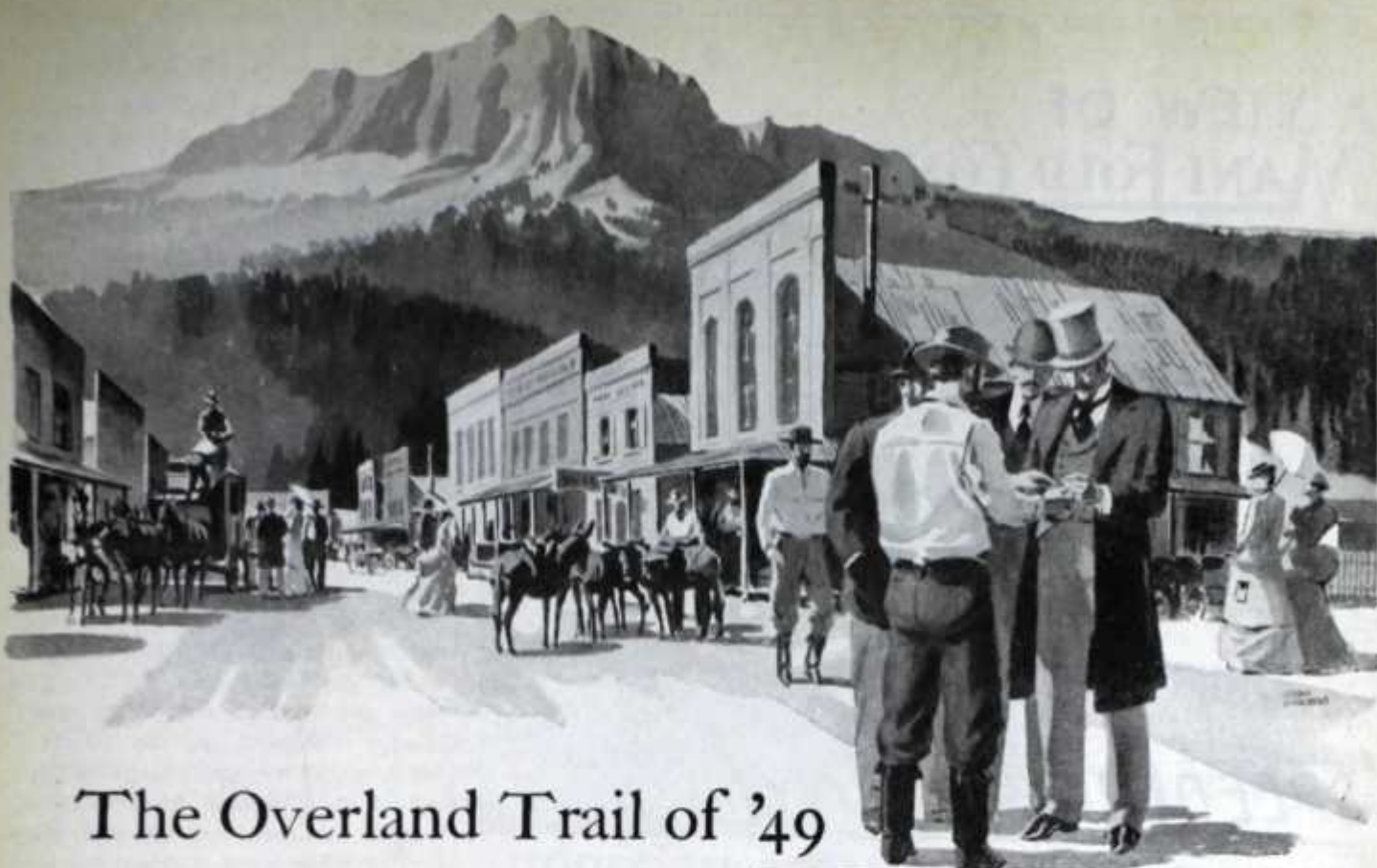
### Property and life valuations

THE valuation of business property depends on the type of property involved, the rate of earnings derived, ready marketability, present market prices, prospective business conditions, the presence or absence of competition, and other varying conditions. Scientific life valuation depends similarly on variable factors.

The speculative or settled character of the business, and the extent to which it has passed through the formative stage must be considered. Proper weight should be attached to the degree to which the life under consideration contributes in an unusual way to the technical skill, managerial ability, or commercial credit, or to all of those factors upon which the business depends.

It is also necessary to analyze the situation from the standpoints of the dependence of the business upon the good will of clients; the degree to which the enterprise constitutes the personal estate and the support of the home; the extent to which the business asset is in-





## The Overland Trail of '49

—the Overland Route today

**T**RAILS TO THE WEST! Cruel trails that oxen trod and hot-lathered horses... and fighting men, with fearless women, led by hope. Hope of gold; and a sunnier land. And pure adventure.

More famous than all the rest was the Overland Trail; blood-stained and marked by death. A challenge, and often defeat for the bravest... But the hope that led men West was stronger than the obstacles that lay along the way and when the struggle ended the last frontier was crossed...

Finally, to mark the epic trail in everlasting steel, men laid straight rails and railroad bridges... Southern Pacific's OVERLAND ROUTE of today.

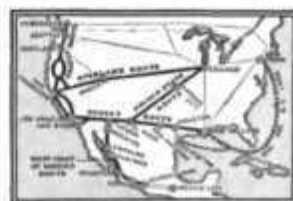
Straight across the continent, from Chicago, it goes, into the land of the 'Forty-Niners, through the country Mark Twain found—straight to San Francisco. From Lake Tahoe to Sacramento, down through the American River Canyon with its gold-scarred hills, the present slips away... Your mind rebuilds the ghost-towns—*Rough and Ready, You Bet, Poker Flat, Piety Hill*—woolen shirted, worn, the heavy-booted miner lives again.



*Dainty Chinese maids add charm to the service of the "Overland Limited"*

And then, almost before you know it, San Francisco, the city by the Golden Gate, that adds a modern lustre to the West you've come to know.

Two other of Southern Pacific's Four Great Routes, SUNSET ROUTE to New Orleans and SHASTA ROUTE to the Pacific Northwest, strike out from San Francisco, along the whole Pacific Coast. GOLDEN STATE ROUTE, between Chicago and Los Angeles, is the fourth. Go one way return another.



# Southern Pacific

WRITE O. P. BARTLETT, 310 SO. MICHIGAN BLVD., CHICAGO, OR H. H. GRAY, 311 FIFTH AVE., NEW YORK, FOR "HOW BEST TO SEE THE PACIFIC COAST"

FOUR GREAT ROUTES FOR TRANSCONTINENTAL TRAVEL

*When writing to a SOUTHERN PACIFIC office please mention Nation's Business*



# A VIEW OF MANI-FOLD CONTINUOUS FORMS IN ACTION



tangible in character and unrealizable as a profit-making proposition except after the lapse of a considerable period; the extent and form of the insured's equity in the business; and the prospect of withdrawal of business assets, upon the death of the owner, because of family obligations, settlement costs, post-mortem taxes of all kinds, cessation of salary, and the like.

Future requirements for an emergency fund should also be a first consideration. Where the business is closely held, continued control among present owners may need to be protected against the withdrawal of any interest by heirs. Attention to the degree to which certain other parties own the business is also essential, especially where it is a partnership or closely held corporation. The extent to which such ownership constitutes their personal estate, the liability they are under for taxes and personal debts that require prompt settlement, and the amount of life insurance they carry for family protection are important. All these factors must be considered with a view to gauging the effect upon the business of a substantial withdrawal of capital in the event of the death of any of the parties.

## SPEEDING

### THE SIX SUPERIORTIES of Modern Mani-Fold Forms

- 1—50% saving in record writing time.
- 2—20% to 100% less duplication of effort.
- 3—95% productive time per operator.
- 4—30% saving in carbon paper costs.
- 5—25% to 100% improvement in form appearance.
- 6—Accurate registration of forms with as many copies as needed.

## BUSINESS RECORDS FOR MODERN OFFICES

**L**OOSE and cut forms are giving way more and more to Mani-Fold Continuous Forms because they introduce Speed, Efficiency and Economy in record writing.

Mani-Fold enables the combination of loose or cut forms into one long continuous strip of perfectly registered, attractively printed forms with as many duplicate copies as needed. Speed results because forms are always flowing into position at the point of writing. Important transactions, purchasing, billing, receiving, etc., are written at one time by one operator.

Efficiency is established because there are no wasteful getting ready operations. Carbon paper is never handled. Errors are reduced because there is little duplication of effort. There is also an even flow of work through every department because of the saving in time.

Mani-Fold economy is positive. Costly carbon paper waste is banished. Fewer operators are needed. The special Mani-Fold lithograph developed by experts effects definite printing economies worthwhile in themselves, while imparting impressive appearance. Mani-Fold forms are printed on Hammermill Bond Paper—to complete the impression of quality appearance.

The six superiorities above listed sum up the story of Mani-Fold. The handsome portfolio, which includes sample forms of leading American business firms, tells the full story. Have your secretary send for your copy—using your letterhead.

### Protecting investments in men

**IT COSTS** money to train the humblest worker. The simple act of hiring constitutes an investment in the man hired. If he happens to be a specialist, such as a chemist developing new processes, the investment in the form of salary, materials consumed and equipment used becomes increasingly large before any monetary return is gained. In such a case, during the whole interval of development, the life value of the employee is the sole security for the monetary outlay made, and the life on this score alone takes on a readily determinable worth.

Insurance placed on this life would be, and is in practice, a callable bond issued against the investment. Should death occur the loss of the investment would be indemnified at once; that is, the bond would be called and paid, and a distinct property loss avoided.

Theoretically every employee is of value and capable of being capitalized through life insurance. However, practice will no doubt draw a line between the lower and upper divisions of employees, below which it won't be feasible to go for business insurance purposes. Just where and how this line ought to be drawn will be a matter for the life appraiser to determine; but it is certain that above it, wherever the line is



### FOR EXECUTIVES ONLY

The Mani-fold Portfolio is for executives interested in knowing what these modern record writing forms are doing for other organizations. Your copy is waiting.

**THE MANI-FOLD COMPANY**  
Division United Autographic Register Co.  
13350-8 COIT ROAD, CLEVELAND, O.

Branch offices in all principal cities.  
Trade Supplied in Canada by  
Business Systems, Ltd., Toronto



•

excess weight



OF  
SHIPPING  
CASES

•

This amiable fellow means well, looks overhealthy, but because of that paunch and layers of fat, he lacks strength and stamina. His transportation is figured by the pound; hence his freight and express cost penalizes you or your customer. . . . Let General Box Engineers, working in our two laboratories, help you trim this chap down to healthy proportions. They have reduced box and crate shipping weight for others as much as 30% to 50% with no sacrifice of strength or safety. Write us for details.

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Among those with whom  
we have cooperated  
J. C. PENNEY COMPANY  
THE WHITE COMPANY  
THE COLUMBIA MILLS, Inc.  
BYRD ANTARCTIC EXPEDITION  
KOHLER OF KOHLER  
NATIONAL BISCUIT COMPANY  
(Export)  
MAYTAG COMPANY  
CUTLER HAMMER, Inc.

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**GENERAL BOX COMPANY**

502 N. DEARBORN ST., CHICAGO, ILL.

*One Service  
Nation-Wide*





"This is an actual photograph." These five words under an illustration inspire more confidence than five volumes of adjectives. Use this phrase in all your advertising—it pays!



## PHOTOGRAPHS INSPIRE FAITH

Photographs tell a complete story. An artist may err or a writer overlook essential details, but the eye of the camera is ever accurate. Thus photographs are the most effective and trustworthy of teachers. Train buyers to use your product correctly—not by wordy explanations, but by a series of action photographs. And let photography add believability to your sales message. Photographs inspire faith—and faith moves merchandise.

## PHOTOGRAPHS

*tell the Truth*

Two booklets worth reading!  
 "How to Use Photographs in Your Business"—and  
 "The 4000-Mile Lens" describing how to get distant photographs by wire through our unique service. For free copy of both booklets, address Photographers' Association of America, 2258 Euclid Ave., Cleveland, O.



placed, will be found a host of executives and important employees as yet wholly ignored as of insurable value.

Immediately business accepts the principle that a life insurance policy is a bond, secured by actual assets and capable of being put to the same common uses as the usual property bond, a vast new field will open in business finance for the practical utilization of those billions of existing life assets now untouched as such.

The wonder of it is that business itself has not insisted upon this logical capitalization of its life values, as represented by men who contribute in a most tangible way to security and earning power.

As it is, the insurance companies are putting themselves in the anomalous position of bankers who come to business and say, in effect, "Here are good sound assets which we are quite willing to capitalize but which you have overlooked in your financial statement"; while business is in the equally strange position of the credit seeker who fails to inventory the most valuable items in his warehouse.

### Widening field of usefulness

THERE will be a vast increase in the use of life insurance for credit purposes, for supplementary security in bond issues, and for emergency use in periods of depression. An ever growing percentage of surplus funds will be diverted into life insurance channels.

The cry already being raised that the life companies are encroaching on the field of bankers, of course will become louder until the facts are better understood. The truth is that the emphasis being placed on investment by life companies has immeasurably helped investment generally.

Millions of dollars that otherwise would have been dissipated on unessentials and in blue-sky ventures have been diverted by life insurance into legitimate business channels, for it must not be forgotten that intelligent reinvestment of monies placed in their hands is a cardinal function of the life companies.

At this time life insurance companies have approximately 18 billions invested in bonds, real estate mortgages and similar investments. The business structure behind the bonds surely has not suffered in consequence. If the head of every American family were reasonably insured, our whole national viewpoint toward saving and investment would be improved and every bond house would be a decided beneficiary.





# INDUSTRY is steadiest where advantages are GREATEST

Manufacturers who have costs well in hand are most certain of their market and are surest to keep their machines turning in every business period.

Piedmont Carolinas' manufacturers enjoy amazingly low costs because of unfailing—almost untouched—supplies of raw materials... because of a reservoir of farm labor three times as large as the industrially employed... because of abundant hydro-electric power... and because rich markets are within economic reach.

Over 64% of the nation's entire purchasing power is within a 600 mile circle—a 50% greater share of the national market than is within similar reach of the chief Atlantic seaports. The local market is far from supplied by manufacturers located here, in every type and class of goods save three.

So successful are Piedmont Carolinas' manufacturers in certain lines that a number have been able to write off their cost of moving in a few years. Cases are on record where one mill or plant of a large group has paid for the moving of the next and the next unit, until all have migrated here. The process is at work now.

Last year a new industry located here once every three days. Over half the new capital that went into the twelve southern states came into this rich, prosperous, prospering Piedmont region.

You will like its climate, which is dry and bracing in summer, due to altitude and the bordering mountains. You will appreciate its mild winters.

You will enjoy the people you meet here, pleasant and courteous. You will admire the splendid schools and unsurpassed highways.

Above all else you will marvel at the untouched opportunities that await on every hand—requiring only capital and experience to transmute them into riches.

Detailed facts pertaining to every type of business are summarized in the booklet—Piedmont Carolinas Where Wealth Awaits You. May we send it?

Address, please, Industrial Bureau, Room 103, Mercantile Bldg., Charlotte, N. C., using your business letterhead. You will receive courteous attention.



DUKE POWER COMPANY—  
SOUTHERN PUBLIC UTILITIES CO. AND OTHER ALLIED INTERESTS

One tenth of one per cent of all the machinery used in this region is made here. But what a promise that small start is. Factories that are engaged in manufacturing machinery and mill supplies are working full time, and many are working overtime, two and three shifts.

Paints, lacquers, reynolds, cottonseed oil, textile bleaching and finishing are all important Piedmont Carolina users of chemicals. In spite of the fact that nearby raw materials are almost inexhaustible in supply, they are practically all shipped away. The Carolinas import 65% of all the chemicals they use.

Much of the output of Carolina farms is shipped away. They are money crops. Other states take our fruits and vegetables, our grains and our livestock and ship them back to us in processed form. About 82% of the food we eat comes in from other states! Flour mills, packers, canners, candy manufacturers and food producers all make good profits here, and enjoy a seller's market.

The center of rubber consumption of the entire south is in Piedmont Carolinas. Yet only 20% of the rubber used in the Carolinas is produced here.

Important producer of tan-wood and tan-bark, heavy shipper of cattle on the hoof, and important consumer of dressed beef—Piedmont Carolinas tans and manufactures only 20% of the leather it uses.

## PIEDMONT INDUSTRY CAROLINAS



*As simply as you  
switch on an electric  
light...*



## ... YOU SWITCH ON THE VOICE OF AN INDIVIDUAL ...

SUPPOSE you had to 'phone for light—or send somebody for it—or go fetch it yourself! Unthinkable, isn't it? But in your office—when you want to ask questions or issue instructions—you still 'phone for members of your staff... send somebody for them... or go visit them yourself!

Why don't you touch a switch and get your man in conversation—*instantly*... like getting light? That's what the DICTOGRAPH SYSTEM OF INTERIOR TELEPHONES is for—to give you immediate conversational contact with every member of your organization.

With the DICTOGRAPH Executive Telephone on your desk, you address your voice toward a sensitive microphone. A loud speaker brings back the answer in clear natural tones.

The speed of DICTOGRAPH is contagious. Office routine accelerates and telephone service improves as the switchboard is relieved of its burden of "inside" calls.

It will take only a few moments to show you a DICTOGRAPH in actual operation on your desk, and you will be under no obligation. Consult your telephone directory for our address in your city. Or write direct to DICTOGRAPH PRODUCTS CO. INC., 224 West 42nd St., New York.

**DICTOGRAPH**  
SYSTEM OF INTERIOR TELEPHONES

*"The Modern Miracle of Business"*



*When writing please mention Nation's Business*

## Your Business Needs the Railroads

(Continued from page 34)

across the continent in two days, or doing the combination rail and air journey in three days. I use the air mail frequently. I may send small locomotive parts by air express presently. But neither you nor I will live to see much passenger or freight business done in airplanes or dirigibles. The prices will be too high. And it will not be possible to build lighter-than-air motive power of great commercial importance because all airships require too much power per pound of load.

### Railroads are the backbone

PASSENGERS and freight will be transported by airline, waterways and highways in increasing numbers and quantities, but railroads will be the backbone of transportation for at least another century. So far, they have adjusted themselves to changing conditions.

In spite of the Interstate Commerce Act which went into effect in 1887, the LaFollette Valuation Act of 1913; the

disastrous government ownership during the World War, the Transportation Act of 1920 and various other attempts at paternalism—a paternalism not attempted with telegraphs, telephones, electric lighting, water power, street cars or other public utilities—the railroads have met fair competition successfully.

Under the Transportation Act our railroads cannot earn more than six per cent on their investment—anything above that is, in effect, given to less well managed roads. This puts a premium on incompetency. Last year the average net return on railroad investment was less than five per cent.

If you doubt the advisability of maintaining lines of communication between raw supplies and factories take a short look at England and remember that Kipling once said that no great nation perished save through a failure to handle its transportation.

While you are thinking of waterways, highways and airways, please give a little thought to railways without which you would be back in the days of the picturesque, uncomfortable wagon.



The first Baldwin factory. The wall still shows how the window just beyond the waterpipe was removed to get "Old Ironsides" out





### The president talks standardization with his purchasing agent

"Wouldn't we save time and money if we standardized on *one* paper for all our important office forms, letterheads and branch office stationery?"

"Just what I was going to suggest—and Hammermill Bond is the paper I vote for."

Standardization! More and more organizations are coming to it for letterheads, office forms and all such paper work. And Hammermill Bond is the paper generally selected.

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*It is our word of honor to the public*

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Gentlemen: Please send me the Working Kit of Hammermill Bond that is filled with specimen letterheads, samples of the paper in its thirteen colors and white, information and diagrams to help design forms, letterheads, envelopes to match. (Free to business executives anywhere in the United States. Canada 50¢.)

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Attach This Coupon to Your Business Letterhead

When writing to HAMMERMILL PAPER CO., please mention *Nation's Business*



# How I Broke Into the Law-Making Racket

(Continued from page 17)

periodicals, tracts, or any printed instrument whatsoever, to the fact that a person is left-handed to use any words except "left-handed" in describing that condition.

2. That tables in all hotels, inns, restaurants, cafes or other public eating houses must seat diners at least 18 inches apart so that left-handed persons will not suffer the constant embarrassment of interference with their elbows while eating.
3. That in hotels, inns, restaurants, cafes or other public eating houses (commonly called "armchair" lunches) where only chairs with wide arms are provided as seats for customers, at least ten (10) per cent of the said chairs must have the wide arm on the left-hand side and that right-handed persons occupying such chairs must move on request of left-handed persons or be subject to court action for disturbing the peace.
4. That Boards of Education shall be encouraged, in all school lecture rooms where only wide-armed chairs are used, to provide ten (10) per cent of those chairs with arms on the left-hand side.
5. That all companies engaged in interstate commerce and manufacturing utensils for household or commercial use shall be prepared to deliver on request such utensils designed for left-handed persons. Electric irons, as an example, are now made with the thumb rests placed for a right-handed user, but thumb rests are entirely useless to a left-handed person.
6. That officers of the Army and Navy, when enlisting a new recruit, be re-

quired to ascertain if he is right- or left-handed and, if he is left-handed, to provide equipment suitable for his use. The left-handed soldier is now under a grave handicap in defending himself and his country because the service rifle is designed for rapid operation by right-handed persons but such rapid operation is practically impossible for left-handed men.

It is our purpose to press for legislation embodying these stipulations with all the force at our command and we trust that you will give this matter your consideration and that we may count on your support when our measure reaches the floor of the House.

I signed this letter "Jefferson Martin, President," and added my own name as corresponding secretary.

The first edition had gone in when I had finished and nobody was doing anything so I strolled back to the composing room. I looked around. Andy Jensen was drinking pop out of a bottle so I went over to him.

"Hello, Andy," I said.

He said hello and set his bottle down.

"I've got a good gag to pull on Mar-

tin," I said. "Set this up, will you?"

I tore off the top of the paper and handed it to him.

"What's this?" he asked.

"I want it for a letterhead."

He went over to his machine, changed the magazines and set it up. It looked pretty good. After the type slugs cooled, I took them and hunted up the boy who ran the proof press.

"Pull me some proofs of this on letterhead size, pretty good stock," I said.

"How many?" he asked.

"Lots," I said, "pull some every chance you

get. You can't have too many. I'll be back."

Then I went down to the business office and found the girl who runs the mimeograph. I kidded her awhile and finally asked her if she'd make me a stencil of the letter. She said she would if I'd get her some theater passes. I had her start the letter with "Dear Sir," leaving off the part that said "Representative So and So." I typed that in later myself.

## Voluminous correspondence

WHEN I went to lunch I bought a box of plain envelopes and that afternoon I went out to see what the proof-press boy had done. He had a big stack of letterheads. I took them downstairs, and the girl at the mimeograph said she'd run them through for me.

She did, and after the sports final that afternoon I took the envelopes, the letters and the Congressional Directory and went to work. It was an awful job, because I had to type in a congressman's name at the top of every letter. I sent one to every member of the House and had some letterheads left over.

The next morning I gave the whole bunch to Layden and asked him to hand them to a messenger at the House Office Building.

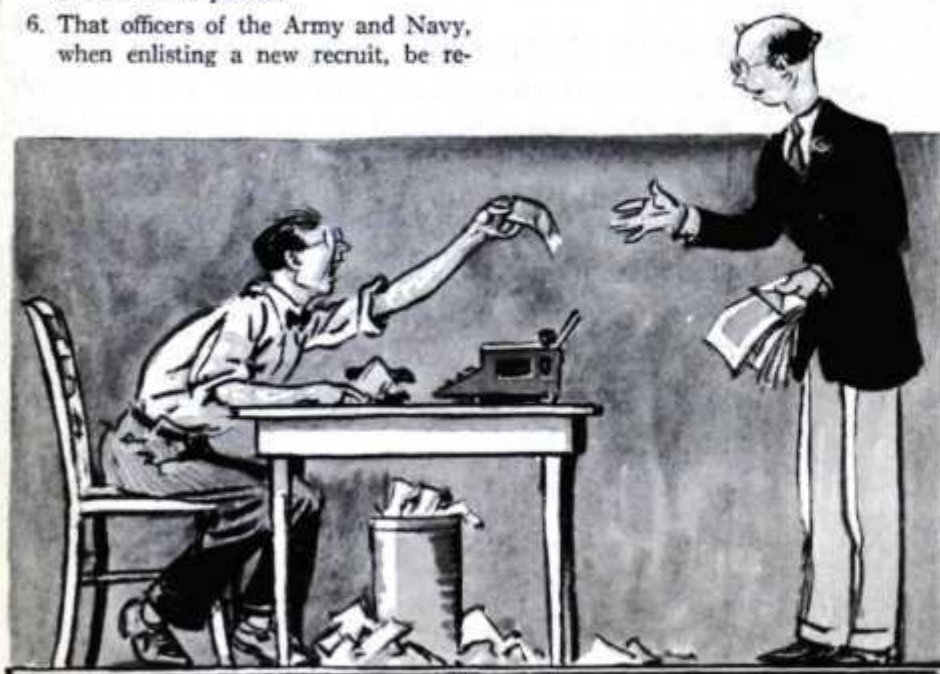
"What's all this?" he said. So I told him.

"Martin will kill you," he said, but he took them along.

We had a couple of busy days right after that. I forget now what the stories were but they were big and had every-

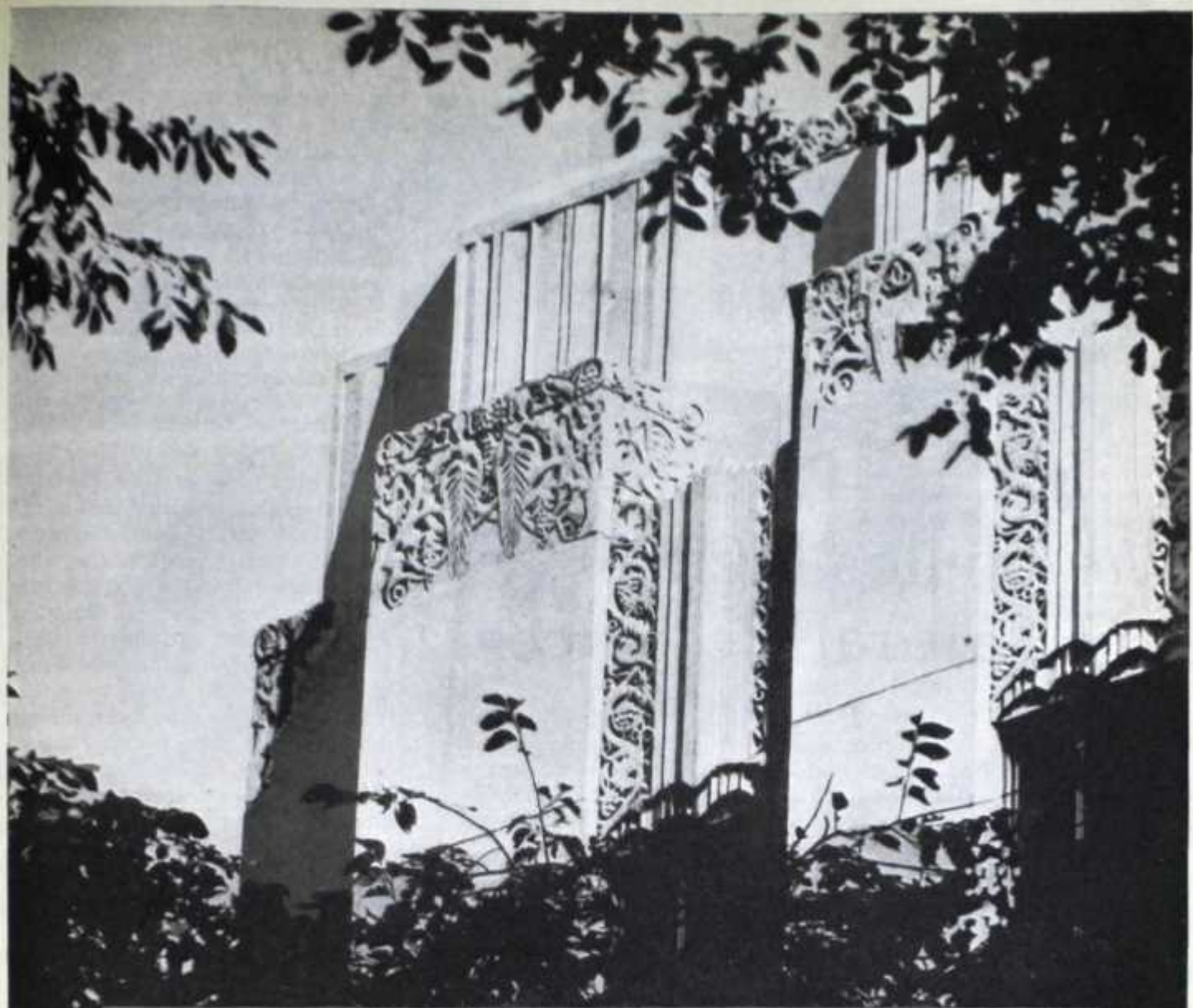


"This fight must go on," Martin roared at them



"You admit you're secretary of the Association," he said. "Write this woman and thank her for the dollar"





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Telephone companies have to be far-sighted. Their completely equipped buildings must serve coming generations, and be a source of pride to the community. So the Syracuse headquarters building of the New York Telephone Company, designed by Voorhees, Gmelin and Walker, Architects, of New York City, was built of reinforced concrete throughout. As pictured above, the beautiful exterior is of cast stone in which the richness of hand-tooling is combined with the speed and economy of reproduction from models. This practical and fire-safe structure will endure long past the time when its capacity and facilities are adequate for the growing city it serves.

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*Concrete for permanence and firesafety*

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# OKLAHOMA

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body humping. I forgot all about the Association of Left-Handed Taxpayers until I picked up the noon edition of our paper one day and found a story about it on the front page under a feature head:

"SOUTHPAW" CALLED  
LIBELOUS NAME; NEW  
LEAGUE SEEKS LAW

Declaring that terms such as "southpaw," frequently used by writers to describe left-handed persons, are embarrassing and derogatory, The Beneficent, Protective Association of Left-Handed Taxpayers has opened headquarters here to ask Congress to pass a law to correct this and other alleged discriminations against those born with what the Association describes as a peculiar handicap.

The story went on to list the other contentions that I had included in my letter. That story bothered me. Even when the noon editions of the other papers came in with the thing given almost the same prominence, I didn't feel any better. I didn't care what the others did, but I hadn't meant to make a fool of my own paper.

That was one reason I had told Layden what I was doing. I wanted him to lay off the story. He had, too, but Wilcox, of the Federated Press, had run across it and had sent in a piece. The Washington bureau of the Federated put it on the wire and the story was all over the country by the time I saw it in our paper. There was nothing I could do about it then, so I didn't say anything.

### It didn't seem to work

MARTIN didn't seem to notice the story. Well, I thought, there's a joke that didn't pan out, and I let it go at that.

But a couple of days later when I came down to work Martin called me over to his desk.

"What was that thing you asked me if I wanted to be president of the other day?" he asked.

"What thing?" I asked, looking innocent.

"You know what thing," he said. "Look at this."

He shook a handful of letters in my face. I took hold of his wrist to steady it so I could see what they were. All of them had "House Office Building" in the upper left-hand corner.

"Those are letters to the Beneficent, Protective Association of Left-Handed Taxpayers," he said. "And I'm its president."

He was talking pretty loud and the other boys came over to see what the excitement was. When they found out,

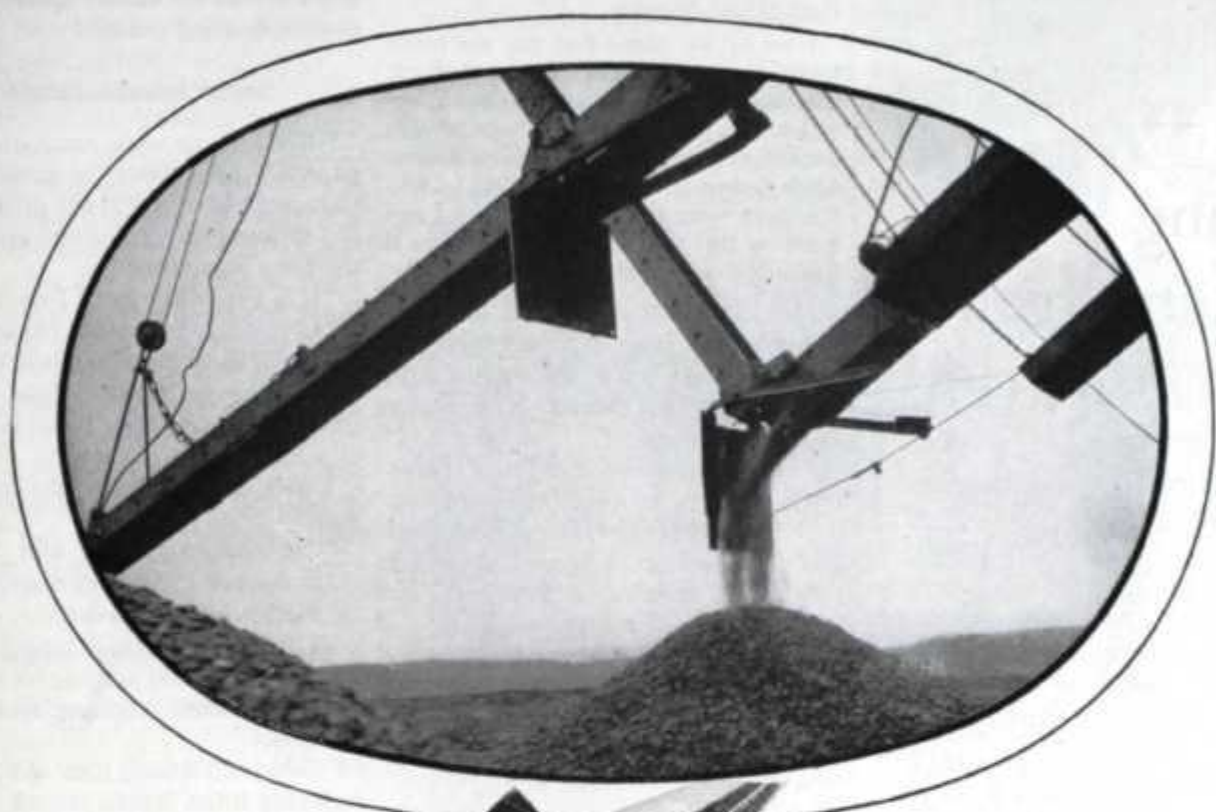


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**TAKE** an ordinary kitchen knife . . . a piece of sandpaper. Rub the paper briskly back and forth across the blade. Surprisingly soon the blade shows wear.

"Naturally," you say, "sand on steel . . ."

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they began to kid him. Everybody but Martin seemed to think it was a good joke. He waited until they quieted down.

"Yeah, you guys think you're pretty funny," he said. "Well, laugh that off—"

He pulled another letter out of his pocket and threw it on the desk. There was a dollar bill pinned to it. I picked it up.

The letter was on cheap ruled paper. It had been written by a quivering hand and the writing leaned backward. It said:

Dear Mister Martin:

I see by the paper that you are trying to get congress to make a law so that rich manufacturs will have to make electric irns us lefthand peple can use without burning our thumbs. I am a widow woman without much money but I send a dollar to help this good work. I do the best washing and irning in this town but could do more if I had irns so I didnt burn my thum.

Her name was signed and she lived somewhere in Iowa. I passed it around and everybody read it. Some of the boys wise-cracked, but Martin was deadly serious.

"I don't know how many of you apes are in on this," he said, "but you ought to feel mighty cheap taking a buck from that poor woman. I know I do and I didn't have anything to do with it."

"You can send it back," said one.

"What, give up a buck?" said somebody else but Martin glared at him.

"Send it back, my eye," he said. "I'm going to keep it. And I'm going to see that she gets her money's worth."

### The secretary goes to work

HE pointed at me.

"You admit you're corresponding secretary of this Association," he said. "Write this woman a nice letter thanking her for the dollar and telling her the Association is going to look out for her interests. And then write answers to these congressmen and get some handouts ready for the papers. You're going to work."

"What'll you bet?" I said.

"I'll bet you your job," Martin said. "I'm your boss, ain't I? That's an assignment. Now bear down on it."

That argument was over. I gathered up the letters from the congressmen and sat down to read them. All of them were about the same and none of them promised anything. As members of Congress the representatives realized their duty to all the people. They were always glad to have injustice called to their attention and were ready and eager to give their constituents a hearing and to champion legislation to remedy evils.

I laid them to one side and got out one of the letterheads I had left. I wrote a letter to the Iowa washerwoman acknowledging the dollar and assuring her that the Association would do everything it could to speed passage of the legislation. Then I used the remaining letterheads answering congressmen. I didn't say any more than they did; just thanked them for their promise of co-operation—none of them had promised any—emphasized the number of left-handed taxpayers and hinted that shortly we would ask for an appointment to discuss drafting the bill.

### Some human interest

THEN I wrote some handouts for the papers. I told about the great interest Congress had shown in our program and put in some human interest stuff about the Iowa washerwoman.

"It is letters like this," I quoted Martin as saying, "that make the leaders of this great cause redouble their efforts to win justice for those people who are struggling to earn their bread in the face of a congenital handicap."

I took the letters over for Martin to sign.

"Got any stamps?" I said.

He reached in his pocket and handed me the Iowa woman's dollar.

"That's a legitimate expense," he said. "You'd better start keeping books."

"I don't know anything about keeping books."

"You'd better learn then, so you won't look silly if the Senate investigates us."

I mailed those letters with a sigh of relief. But I sighed too soon. The next day there were more letters and humorous editorials in a couple of newspapers.

Martin opened the letters at home, read them and made notations on the margins about how he wanted them answered. Some of them were from congressmen we hadn't heard from the day before. Some were from people who thought we must be crazy. Some from people who wanted to know how to join the Association. A couple were from lobbyists out of work, one from a publicity agent and one from a clipping bureau.

"You'd better subscribe for that clipping service," Martin said. "And in today's handout, answer this editorial in the *Comet*. Burn that guy up. After you answer these letters, make a date with Bugs Gaynor, the ball player. Get him to come out strong for the Association and to talk about how he's had to struggle against the popular superstition that all left-handed pitchers are crazy."

"Say," I said, "when am I supposed



to do all this? After all, I've got to work some of the time on this newspaper, you know."

"We'll probably have to work at night," Martin said. "We can go out to my room. I've got a typewriter."

"Besides," I hedged, "we can't write any more letters. We haven't any letter-heads."

"That's something else," Martin said. "We'll have to get some. You go to lunch with me and we'll drop into a good job shop and have some printed."

"Look here," I said. "Fun's fun and all that. But I haven't any money to spend on printing bills."

"You don't need any," Martin said. "We got a couple of checks in today's mail."

He got them out. One was for five dollars from a traveling man who complained that waiters always put his coffee cup on the wrong side. The other was for fifty dollars from a sportsman who'd had trouble finding a left-handed fishing reel.

For the first time I began to feel enthusiastic about this thing. Before that it seemed to me that Martin was just being disagreeable because I'd tried to make a fool of him. But with those checks at hand I began to see possibilities.

### Memberships for any budget

I LOOKED at the checks. Then I felt them.

"Say, Martin," I said, "when we get the letterheads printed we'll have to get some cards with a schedule of memberships on them—associate memberships, active memberships, contributing memberships, sustaining memberships and life memberships. Then people can pay what they can afford."

"That's right," said Martin.

So we did.

That night we worked until nearly one o'clock, framing the handouts for the next day's papers and jotting down how we'd answer the letters when the printer got the letterheads ready. When we got the letterheads we had more letters to answer and I guess we never really caught up after that. But we didn't get any more checks for quite awhile.

For two weeks we worked like dogs and didn't seem to get anywhere. We kept getting letters to answer and spent our spare time turning out handouts, but the papers were losing interest. They did use a picture of Bugs Gaynor handing Martin a check for membership in the Association. But we had to give the check back. That guy was left-handed

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but he was nobody's fool. We worked on the *Gazette* in the daytime and kept busy pumping life into the Association at night. We ate in an armchair lunch that was near the office, because we didn't have time to eat anywhere else. We hardly had time to think. My nerves were on edge and so were Martin's. I know now that those two weeks made us, but I didn't know it then.

If it hadn't been for the nightmare he was living Martin would never have done what he did in that armchair lunch.

I wasn't there, but the police records show that he stopped in to eat and, getting settled in his chair—which was awkward for him because he was left-handed—he upset his coffee. That was too much.

He got up and smashed his whole dinner on the floor, dish by dish. Then he slugged a bus boy who interfered and the cops came. He called me from the station and I went down. The charges were destroying property, breaking glass in a public place, disturbing the peace, disorderly conduct, simple assault and anything else the arresting officer could think of.

They wanted a hundred-dollar collateral. Martin had \$25. I had \$20, but I caught several of the boys at the office by phone and they brought in the rest.

Reporters came around to the precinct station to see who the human tornado was. They were from the morning papers and none of them knew Martin. He told them he was president of the Beneficent, Protective Association of Left-Handed Taxpayers.

### A martyr to the cause

THE whole thing, he said, was a plot to persecute him because his Association was fighting to make just such places as that lunch room give legitimate service to left-handed persons. He hammered that word "persecution."

He hammered it the next day in court, but he got fined \$50.

We went back to his room feeling glum and found a check for \$100—the first return on the membership applications we'd sent out. And that afternoon the papers came out with big headlines:

"PERSECUTION," CRIES  
LEFT-HANDED LEADER  
AS HE WRECKS CAFE

If you can make the world believe you are persecuted, it will give you a hearing. There's something appealing about a man who goes to jail for a principle, no matter how stupid the principle is.

That lunch-room row won Martin an invitation to speak at the weekly meeting of the Apostles of Tolerance.

"Can you make a speech?" I asked when he showed me the invitation.

"I guess so," Martin said. "I was in a debating society at college."

That night we wrote a speech. We didn't say much about our Association except that it was fighting "to break the grip of Big Business, whose greedy hands were clutching the throat of humanity and bending her to its will." We attacked bigotry, too, I remember, and several other things.

### Campaigning for children, too

I WENT to hear Martin talk and was surprised that he did so well. I was more surprised when he got clear away from the ending we had written and went off on his own.

"We do not ask these things selfishly," he said. "We ask them for the children who throng our schools, little left-handed children, asking only an equal chance with other children, begging the comfort, the attention, the opportunities that our Constitution promises all those living beneath our blessed flag—and finding in place of these ridicule, chairs and desks ill-adapted to their use, and punishment because their little hands cannot write their childish alphabets as the books produced by right-handed educators prescribe they shall be written."

"That, ladies and gentlemen, is what we are fighting for. That is the plea of our Association, the plea I leave with you tonight, a fair chance for left-handed children."

"When did you think that up?" I asked, when we got back to his room.

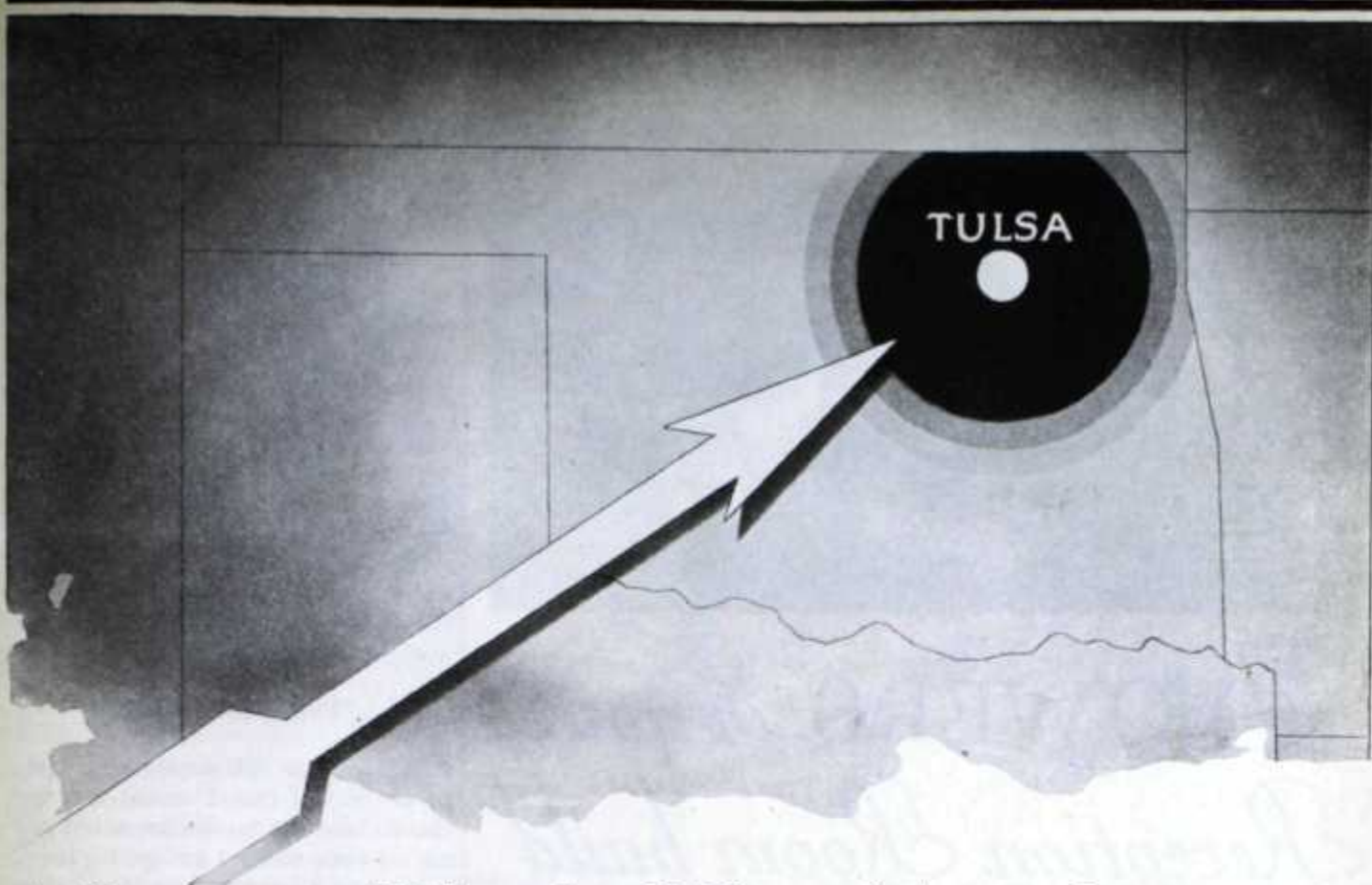
"That just came to me," Martin said. "But it's what we've been needing. There are only about nine million left-handed people in this country and only a few of them will be interested in this association thing. But, with this stuff about children, we can reach parents' associations, child welfare groups, everybody. We'll start on them right away."

From then on things went better. We wrote letters to parents' associations and Martin went to their meetings. We interviewed teachers and professors and psychologists. Some of them admitted that perhaps left-handed kids had a tough time. Some of them didn't. Those that didn't, didn't get their names in the papers through us.

We began to get more mail, too, and more of it had checks in. After a while we had \$1,500 in the bank.

One night we were trying to find a letter that had to be answered. Martin's





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Oklahoma has 2 1/3% of the nation's area, but produces 10% of its minerals and 3% of its agricultural wealth. She has \$525,000,000 of mineral production annually, and \$500,000,000 of agricultural production. These facts convincingly support the recent statement of Roger W. Babson that Oklahoma is equalled by only two other states in industrial potentialities.

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room by that time was full of letters—letters in desk drawers, on his bureau, on the table, everywhere.

"We ought to have a filing case," I said.

"We ought to have an office," he said.

"Maybe we'd better get one."

"And a stenographer to answer the mail," I said.

"A left-handed stenographer," Martin said. "We could advertise. 'Wanted, stenographer. Only left-handed need apply.' That's different enough to get some publicity. Wonder how much an office would cost?"

After we figured a while, we decided we could do it, at least for a while.

So we rented a furnished office, and hired a Miss Randall as a stenographer.

That didn't work out so well, because neither of us could dictate except at night and we couldn't ask her to keep the office open all day and take letters at night.

### "Full-time" officers

CHECKS were still coming in, though, so we decided that I should quit the *Gazette*, and the Association would pay me the same salary I was getting there.

Not long afterwards Martin quit, too, and we both gave all our time to the Association.

The "fair play for left-handed children" campaign was going good. I never figured out exactly what it meant but only one person ever asked.

He was a young schoolteacher in a Maryland town where Martin was addressing a luncheon club.

"Mr. Martin," he said, "just what do you mean by fair play for left-handed children?"

Martin glared at him.

"Here," Martin said, "is an example of the attitude our Association must fight. The very fact that a young man in the position this young man holds dares to stand up in this assemblage and ask that question proves, beyond anything in my power to say, that this fight must go on until that attitude is swept from the face of the earth."

The young man sat down and the audience applauded.

For a long time we had been sitting pretty. We had a card file of members and every now and then we wrote them letters telling of the active fight we were making. After a while, though, we began to get letters asking when our bill would be introduced. Martin and I had a long conference on that.

"This was bound to come," he said. "And I've been thinking about it. Our best bet is Tatlock. He's interested in child welfare and besides that he's coming up



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for reelection pretty soon. I'll see him."  
"What will we have in the bill?" I asked.

"About what you put in that first letter," Martin said. "That's as good as anything."

So he went to see Tatlock.

"He's willing to introduce a bill," Martin said, when he came back, "if we leave out the libel provision and the hotel clause. Congress has no authority over hotels. He thinks he can get Senator Berry, from his state, to introduce it in the Senate so that will make it a joint measure. That will have a good effect."

It did, too. After Tatlock introduced it in the House and Berry put it before the Senate we wrote letters to all our members, enclosing copies of the bill and urging them to get together now for the long, hard pull.

Checks came in faster than ever, so we voted ourselves raises in pay. We both took \$200 a week, which wasn't an awful lot, but we each had an expense account and one day I'd take Martin to dinner and the next day he'd take me. We'd enter it in the books as "entertainment, influential guest, so much."

When the House bill came out of committee and passed on the unanimous consent calendar, we got more checks than ever. We had a great six months. The office work had settled down to a routine that Miss Randall could handle with the help of a couple of clerks and there wasn't much work to do except when Martin had to make speeches.

### Not sufficient opposition

THE Senate bill doesn't go very fast. Some manufacturers, who had thought it was all a laugh until the bill passed the House, sent down some agents to fight it. Martin had to testify at some committee hearings and some of the senators rode him pretty hard. We sent reports of the hearings to our members and called their attention to the persecution we were undergoing and urged them to write letters to their senators. Some of them must have done it, too. I can't imagine how else we could have gotten the tough break we finally got.

The bill finally came out of the Senate committee but we didn't pay much attention to that. The manufacturers' people were still around and seemed to be pretty active.

Besides that, a filibuster got to going—I've forgotten now what it was about. I knew then, I remember, because I was dictating a letter to a sustaining member, pointing out that our bill would probably be held up by the filibuster

and showing how archaic Senate rules hampered the passage of important legislation, when the telephone rang.

The girl answered it and handed it to me.

"Hello," I said. It was Layden.

### Good news is bad news

"HELLO, Skeetz," he said, "good news. Your bill just passed the Senate."

"What?" I said.

"True enough," he said. "I wasn't in the press gallery at the time but from what I gather Berry got the floor in the middle of the filibuster and got your bill up on some point of order. They passed it to get him out of the way. I'm going to find out more about it."

I looked across at Martin.

"Martin," I said. "They've passed our bill." Martin looked sick.

The girl was still sitting beside me with her notebook.

"Never mind that letter," I said. "You can go, if you wish. I won't need you any more."

"Ever," Martin added.

For a long time we didn't say anything. Martin spoke first.

"What'll we do now?" he said.

"I'm still a good rewrite man," I said.

The girls were all leaving the office. I looked around at the swell fixtures and ran my hand along my mahogany desk. I thought about my battered old desk at the *Gazette*, its edges filigreed with cigarette burns.

"Maybe the President won't sign it," I said.

"Why not," Martin said. "It doesn't mean anything."

We just sat there.

"Martin," I said, after a while, "aren't there some other kinds of people, handicapped like left-handed people, that might need an association?"

Martin checked off on his fingers.

"There are short people—neither of us is short enough; tall people—neither of us is very tall; blind people—"

"I'm color blind," I said hopefully.

"You are?" Martin exclaimed.

"I can't get an auto driver's permit because I can't tell the difference between red and green lights. I used to be a good driver, too."

Martin thumped the desk.

"By God, that's persecution," he said. "Come on, let's get some letterheads printed."

"Letterheads?"

"Sure. Letterheads for the Federation for Equal Privileges for Color-Blind Voters."



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## Shall the State Pension the Aged?

(Continued from page 58)

real saving of taxpayers' money. At this point comes the first sharp issue between defenders and opponents of state pension legislation.

The latter contend that state pensions, to the extent that they are actually put into effect, constitute an expensive form of poor relief and that if they become anything like universal they will be a severe burden upon the taxpayers. At the same time, they assert, the maximums provided in most laws are not sufficient to support the pensioners.

Moreover, neither state pensions nor any other form of outdoor relief would serve to do away with almshouses, since many of the aged poor require medical or hospital service. A Massachusetts commission in 1925 found that about 90 per cent of the inmates of almshouses in that state needed institutional care.

Some critics assail the whole philosophy of public pensions. Relief given under pension laws, they assert, would benefit mainly the most thriftless and the least deserving. Assurance of state support in old age would discourage saving and encourage relatives to evade responsibility for care of the aged.

### Objections to pensioning

IN MANY cases pension money would be paid out to persons incapable of using it intelligently for their own support and these persons would then need further charitable aid. Pension laws of the existing type are inelastic and are not easily adaptable to individual needs. Moreover, they present many administrative difficulties which might lead to political abuses. The poverty requirement, would be difficult to enforce and would lead to concealment of assets.

Critics also declare that employers having industrial pension plans would be taxed heavily to support state pensions, while their own pensioned employees would be barred from participating in benefits because of income limitations in existing laws. (The bill introduced in the New York legislature in 1929, which failed of passage, provided that a retired industrial employee could receive up to \$365 a year from his employer's pension plan without thereby being barred from maximum participation in the state pension. This provision was not repeated in the 1930 bill.)

Some critics believe that any form of

state pension is a step toward socialism and therefore opposed to American principles. They hold that the present laws are only an entering wedge and that if the theory of state old age relief is once established there will be demands for larger allowances and perhaps for universal pensions to all old persons regardless of their financial conditions. For all of these reasons, opponents of state pensions maintain that allowances to the aged, as provided in American laws, are highly experimental forms of poor relief and that the necessary support can be provided better in other ways.

### Facts and conclusions

IN THIS confusion of arguments it seems futile to look for early agreement or compromise. A few facts, however, emerge with sufficient clearness to warrant some conclusions which may be advanced with a degree of assurance:

1. The support of aged persons through long periods is expensive, whether individuals, relatives, employers or society provide this support.

2. State pensions of the type authorized under existing laws will not wholly solve the problem of old age maintenance. Probably they will never entirely take the place either of industrial pensions or of public almshouses.

3. Universal old age pensions, payable regardless of financial circumstances, even if contributory, would involve burdensome expense to society.

4. No system of old age pensions, under laws anything like those now on the statute books, will meet the problem of the worker in middle life who is unable to obtain work because of age limits enforced by many corporations.

5. No system of social legislation now seriously contemplated will relieve the individual from the necessity of thrift and of providing for his own old age.

6. The state pension movement in its present stage represents an attempt to provide a partial solution of the problem of old-age dependency. No single method is likely to bring a full solution of this problem. State pensions have merits and probably in some form they will become permanent factors in American legislation. There will continue to be need, however, for all the other methods of old-age support that meet the approval of the most enlightened economic and social thought.



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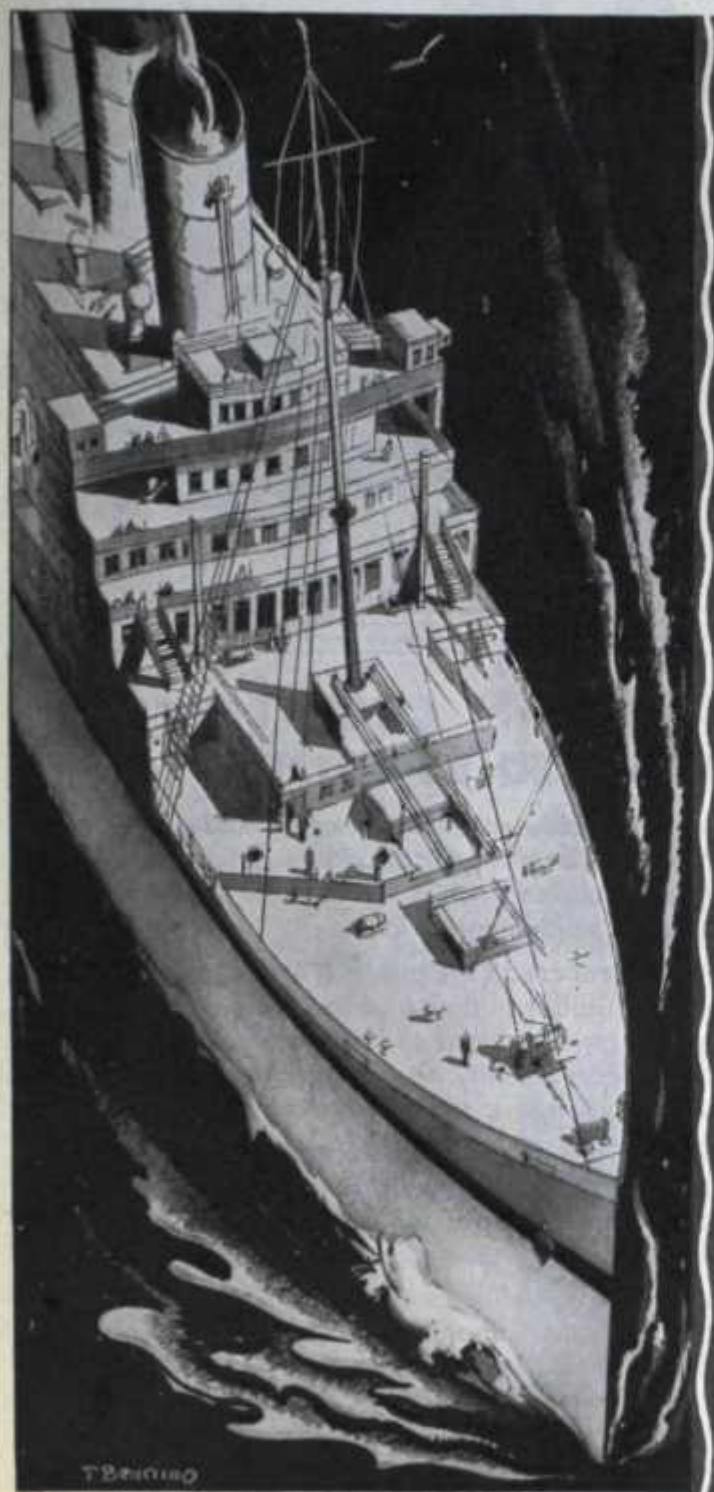
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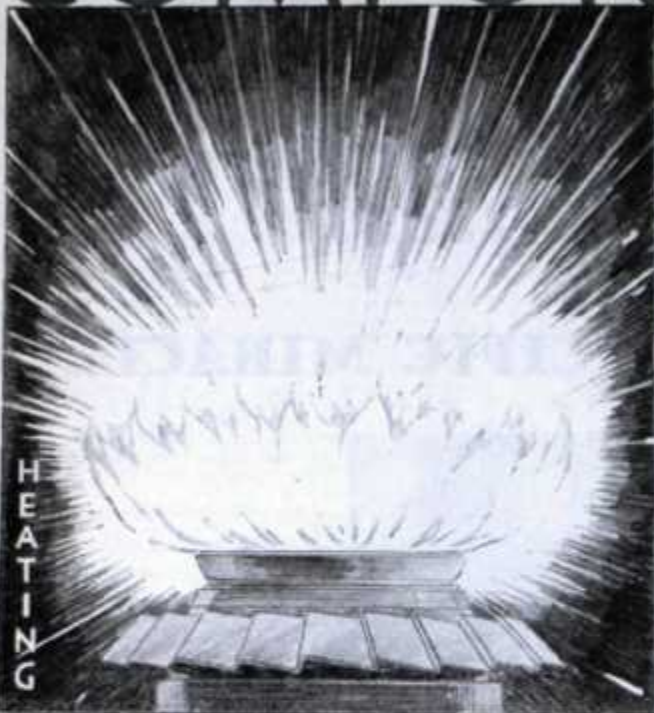
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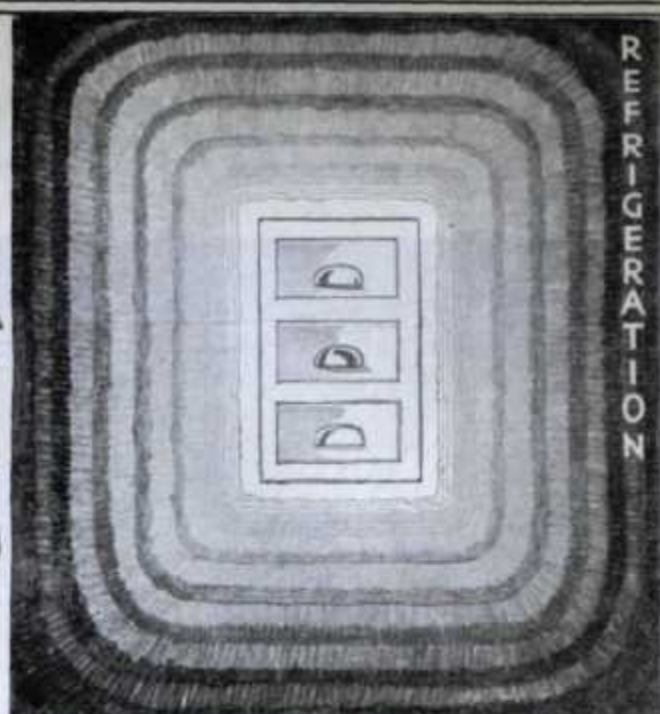
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# What Wall Street Talks About

By MERRYLE STANLEY RUKEYSER

**T**HE CHANGING position of this planet in relation to the sun has a significant bearing on fluctuating prosperity—and hence on bread lines.

In a recession phase of the business cycle, the winter months are always the hardest. Irrespective of cyclical changes in economic fundamentals, spring automatically sets in motion curative forces—and this ceaseless operation of the seasonal factors has been plainly revealed in recent weeks.

Until spring had advanced nearly half way, it was apparent, however, that the enlargement in the volume of business and hence of employment opportunities had been scarcely more than seasonal in character.

But for the latter spring such scientific readers of the business weather barometer as the sages of the Harvard Economic Society flashed out a bulletin to the effect that substantially more than seasonal improvement was already in sight.

Statisticians may argue indefinitely as to the difference between a business recession and a business depression and as to the distinction between cyclical recovery and seasonal recovery, but the hungry men to whom jobs are offered are less subtle in their classification of business changes.

American business approaches the civilized state of social decency to the extent that it accepts Frank A. Vanderlip's definition of prosperity as the full employment of labor at high effective wages. Parenthetically, the business recovery, which is already visibly under way, has been rapidly relieving temporary, cyclical unemployment, but the longer term technological unemployment, resulting from the new efficiency and the increased use of labor-saving machinery, calls for a more sustained application of mental energy on the part of business leaders. The ultimate readjustment will doubtless entail a radical revision of customs in regard to hours of labor and the redistribution of leisure.

In spite of the temporary ups and downs of the curve of business prosper-

ity, it is apparent to thoughtful observers that business needs important new stimuli during the next decade. Paul M. Mazur finds the needed tonic in foreign trade expansion, but our solons at the nation's capital have shown little merchandising skill in the larger sense in drawing up the new tariff law.

MY own belief is that the great lift to business in the decades ahead will come from an attempt to abolish poverty, that is, to make available to the submerged groups the products and services of modern business. This will come from further research in the laboratory, which will tend enormously to reduce production costs, on the one hand, and, from a great further development of the instalment plan for financing consumption.

With the productive capacity of the country already huge, if not excessive, it becomes a business necessity to widen markets—and the best opportunity for

expansion is around the corner in our own slums which have not yet been introduced to the American standard of living. This program entails no new conceptions, but an intensification of a process which has been under way since the war.

Accordingly, instalment financing, which has been regarded as a stepchild, will have to be acknowledged as a legitimate extension of banking—and welcomed into the family of respectable finance.

It is a vastly more scientific and economical scheme of procedure for financing individual homes, for example, than the second mortgage racket, which has cost the home owner 20 per cent or more a year for junior financing.

In view of the increasing importance of soundly conceived and well administered consumer financing, I have been particularly interested to find out how the instalment plan was operating under the test of the recent interlude of major unemployment. Critics of the system predicted that it would collapse when



GATES W. MCGARRAGH

★  
GATES W. MCGARRAGH has been named head of the new Bank of International Settlements. He is one of the two American members of the Bank's board. Mr. McGarragh was formerly chairman of the board of the New York Federal Reserve Bank



such a crisis came. Although it is too early to write the history of the subject, I am informed by leaders in the field that the well-managed instalment companies have met the test.

On automobile paper, for example, there has been a substantial increase in short term delinquencies, but past due accounts running over thirty days are said to be no larger than a year ago.

Henry Ittelson, president of the Commercial Investment Trust Corporation, the largest finance company doing a diversified instalment business, told me: "Our own experience to date is a testimonial to the honesty and integrity of the American people. Obligations have been met during this time of stress in a highly satisfactory manner—in fact our present portfolio shows very little variation from the normal amount of past due items."

CONGRESS and the Interstate Commerce Commission have begun to view with alarm the development of holding companies, such as the Alleghany Corporation and the Pennroad Corporation, within the railroad field. They sense them as corporate vehicles of eluding the strangulating effect of excessive regulation.

To the disinterested observer, these companies seem to be instruments for expressing the hope of railroad financiers for greater freedom. These intercorporate setups in irresponsible hands are doubtless fraught with hazards, but thus far these two particular groups which have been under discussion have given no evidence of antisocial intentions.

Incidentally, these new setups give the investor and speculator the hope for a possible greater return on capital than the riskless rate of interest. The new issue is really whether capital which flows into the railroads must forever be punished and treated less liberally than funds which are channelized into the unregulated industries.

Some of the great institutional investors turn from the railroads because they share in depression but can participate only partially in prosperity. Moreover, the head of a great insurance company recently remarked to me that, though power and light companies are bound to reflect the full economic growth of communities, the railroads may not, on account of the growing competition of other agencies of transportation. I think that the advantages of the power and light companies, real and alleged, including the fact that the business is doubling every seven years,

have been discounted, if not overdiscounted, at the Stock Exchange. Railroad stocks, which have been relatively depressed by temporary news of shrunken income, are comparatively cheap in terms of earnings and asset value, and are selling closer to a genuine investment basis than most other classes of stocks. Merchandising shares and copper stocks too have failed to participate in the major post-panic recovery.

ONE multimillionaire skeptic, who took millions out of the stock market, recently remarked to me that he saw no unmistakable signs of business recovery, except cheap money, which he described as a powerful instrument whose influence should not be underestimated.

THE question is frequently raised whether the financial public has learned anything from last autumn's stock market debacle.

Usually this query is answered in accordance with the prejudices of the authority. One school remarks glibly that human nature never changes, but my own feeling about that is that you cannot run the world on bromides. The other school goes to the other extreme, and contends that suckers have passed permanently out of existence.

My opinion is that America is less a nation of economic illiterates than it was more than a decade ago when Mr. Vanderlip made the indictment. The commodity deflation of 1920-21 taught business men the hazards of over-large and unbalanced inventories, and has encouraged the new system of hand to mouth buying, which tends to shorten periods of depression. The great lesson of the panic to the amateur is that even the best stocks do not go uninterruptedly upward, and, though they may be suitable for long-term investment, the emphasis should be laid on the long term. The panic revealed that it is hazardous to hold any stocks for short periods on borrowed funds, and that marginal speculation brings in new risks in addition to ordinary business hazards.

The panic also revealed that, though it may be good business for outright owners like George F. Baker to sit tight and never sell good stocks, the marginal trader can't follow his example. The marginal trader—Heaven help him!—must be as dexterous as an acrobat; he cannot meet his demand obligations to brokers merely because America is basically sound! The lesson since the

panic—to the trader, if not to the permanent outright investor—is that there are no good stocks and bad stocks; only dear stocks and cheap stocks, as the late William Salomon used to remark.

Accordingly, the technical position of the market has been strengthened during the recovery by a desire on the part of the prudent to test the validity of the advance ever since the beginning of February.

Even during the period when the trend was distinctly upward, there were interludes of two-sidedness, as conflicting groups sought to find out at what level stock prices really belong. Such difference of opinion is healthy, and lays a foundation for panic proof markets.

HAVE the investment trusts become the restless sex of Wall Street? In some instances, a desire to keep active and to amass trading profits has resulted in lean pickings, whereas a more quiescent attitude of long-term investment would have caught bigger price swings.

The Sun Life Assurance Company of Canada buys good stock outright to hold as long as the corporation meets its standards of success and excellent management. As investment trusts, the American fire and casualty companies have the advantage of being able to invest not only the stockholders' capital, but also the funds entrusted to them—without cost to them—of policyholders.

IRRESPECTIVE of the academic criticism made against investment trusts in liberal journals of opinion and elsewhere, investment trust stocks have shown substantial recovery since the panic. They have narrowed, if not effaced, the gap between liquidation value and market price. It is absurd for the shares of well-managed and soundly set up investment trust shares to sell at a discount below break up value. If the premium over liquidation value at which such shares sold during the days when they were fashionable before the panic was excessive, the discount is equally illogical. I have pointed this fact out consistently since last November.

TO an increasing extent, the automobile industry has become the balance wheel of American industry. During the weeks following the panic, the man on the Street was virtually told that no one would step out and buy new automobiles early in 1930. The headlines are never





DECORATION BY ROCKWELL KENT

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## Investing in Electric Power

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United Founders Corporation is also extensively interested in other fields of investments, and holds a diversified portfolio of securities. Through its controlling interest in American Founders Corporation it commands the service of the extensive economic, analytical and research organization developed by American Founders. Coupled with this organization are extensive banking and investment connections, which contribute to the strong position of United Founders Corporation as an institution investing for the long pull.

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◀ This advertisement is the second of a series outlining the investment activities of United Founders Corporation ▶

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delicately enough shaded to tell the exact truth about the complicated phenomena of business. Alfred P. Sloan, Jr., president of the General Motors Corporation, reports that in the first quarter the industry sold 84 per cent as many vehicles, though a larger proportion of cheap cars, as in the abnormally active first quarter of 1929.

Accordingly, Mr. Sloan told me: "I am convinced that when the present industrial situation becomes a matter of history it will be found that from the standpoint of all the factors entering into what I might call 'stability,' that the automotive industry will have earned for itself a high rating."

OLDER industries have much to learn from the automobile industry which has never settled down. Its engineers and executives are restless, perpetually seeking to improve and beautify cars, and thus are in the endless process of making used cars obsolete. In winters of recession, it is feasible for owners to resolve to use their old cars longer, but in springtime it is far more difficult to resist the lure of bright colors and shining metal work.

H. H. Franklin, president of the Franklin Automobile Company, in discussing this situation with me, pointed out: "The best reason why improvement can be expected is that the industry became very active in producing cars of strong public appeal and that sales forces have been inspired to strong effort in their promotion, with the result that business is being created and sales are beginning to show satisfactorily."

AND yet even the chronic optimists must concede that the industry must soon pay the penalty of being accepted. America has become motorized; the battle has been won. No longer are astounding annual percentage gains to be made as the conversion of pedestrians proceeds. Sales will in the future be larger than ever, but the rate of growth, at least of domestic sales, will doubtless be radically retarded, as it conforms more to the line of growth of population and of national wealth. Accordingly, charts of the automobile industry for the last decade will be meaningless as a forecast of what lies ahead in the next ten years.

SOMETHING of the same change of pace must be applied to the building industry. The boom is over. There will be vast programs for building homes

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in the next decade, but they will be calmer and less feverish. Men will again build homes for use, conscious of the fact that, like an automobile, a home may not be resalable except at a loss.

The great impetus, which came when 2,000,000 young men, family builders, returned from overseas after the war, will probably not recur in the near future. The great urge to spread out into the suburbs—entailing a vast revolution in living habits—was synchronized with the development of the automobile, which in terms of time made the outlying districts accessible.

The process will go on, but on a less speculative, sounder basis. The impulse will come more from the home owner, and less from the individual desiring to speculate in real estate.

Application of a sound instalment program to home ownership will encourage the substantial citizen who is looking for a permanent abode, rather than for an operation of a get-rich-quick character. This change in the character of ownership will make junior financing of homes safer, and will tend to avoid a repetition of the wholesale defaults on second mortgages of a speculative character which have occurred in the last year.

WHAT social workers and Socialists have long dreamed of in the way of democratizing the good things of life, modern business is accomplishing. Sidney Huddleston, of the *New Statesman*, who recently studied economic tendencies in the United States, reports that the great employers have been converted to the idealistic Socialism of William Morris.

"The keynote to American prosperity," Mr. Huddleston, an Englishman, reported to his fellow countrymen, "is simply this—that prosperity is only regarded as prosperity if it is shared by the whole of the people. A nation is not prosperous if its workers cannot buy the goods they themselves produce, if profits merely go into the pockets of a few privileged men. It is beside the point to allege that there is plenty of poverty in America, that there are greedy employers and money grabbing financiers. Doubtless there are.

"Ideals are not attained in a few years. But I affirm that there is throughout America an entirely new attitude toward social and industrial problems, and that, perhaps for the first time in the history of the world—certainly for the first time in the history of the modern industrial world—there is a general recognition that prosperity depends on



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the well-being and wealth of the workers; that the chief function of the employer is to make it possible for the workers to purchase freely; and that the secret of national success is not large profits and low wages, but low costs and high wages."

In other words, the hard-boiled, old-fashioned executive, who is opposed to new-fangled ideas and who believes in the doctrine of each man for himself and the devil take the hindmost, is obsolescent and should be scrapped.

CREDIT men in New York have thrown out the suggestion that bankrupts should be compelled to pass an examination on business fundamentals before being reinstated. Evidently they feel that it is wrong to let the business community be victimized twice by the same commercial morons.

THE effort of Ford, General Motors, and E. I. du Pont de Nemours & Company to avoid tariff retaliation from disgruntled foreign nations by establishing affiliated companies abroad inside of tariff walls is a noteworthy trend in foreign trade. The new setup not only helps to overcome prejudice against alien domination, but also gives American industrialists the benefit of allies who know intimately the idiosyncrasies of foreign markets.

The du Pont chemical alliances not only give an added avenue for profit but also give contacts with outside laboratories and keep the Wilmington chemists informed of research progress throughout the world.

A FINANCIAL leader, who was high up in the councils of the Wilson Administration, remarked to me that he regretted the increasing tendency of business to rely on Government. He insisted that in the effort to get the Government to help relieve temporary evils of unemployment the business community might pile up serious lasting evils in the form of meddling.

He said that President Hoover's intervention last November when the White House conferences with business leaders were held was for a desirable purpose, but that perhaps it was setting a questionable precedent. He advocated a return to the old slogan of "More business in Government and less Government in business."

HOW much expansion is ahead for the



automotive industry? Here is one answer: W. S. Knudsen, president of the Chevrolet Motor Company, said: "Chevrolet's potential in the United States lies between a million and a million and a half cars. We sold last year, domestically, slightly over a million, 1,002,918 to be exact, the balance of 332,000 went to export and Canada. I do not believe we will show a material loss in domestic sales this year. Our sales to May 1 will show 325,000 cars, against 360,000 for the same period last year, and I look for a steady employment condition the country over for the balance of the year."

SUCCESS brings orthodoxy. The pathfinders of industry succeed by breaking with tradition, but soon become crystallized in their own traditions. It is dangerous to lose the pioneer spirit.

JOHN T. FLYNN, in a series of articles in the *New Republic*, has made the disclosure that investment trusts were not panaceas in the realm of safeguarding funds. He chronicled the defects of management, many of which were anticipated at the inception of the investment trust boom by outside critics.

Mr. Flynn unfolds the record of mismanagement of some of the trusts, and particularly criticizes banking houses which are in the position of serving two masters: their investment trusts as consumers of securities and their own underwriting departments as creators of securities. He concedes the value of diversification and specialized management which are inherent in the investment trust idea, but he proposes careful public regulation to keep the trusts channelized along social lines.

## Useful Tantalum

THE average person, perhaps, has never heard of tantalum, but he would certainly miss it if he had to do without it. It is one of many strange metals that science has put to work in the daily service of mankind.

First found more than 100 years ago, it long remained a baffling mystery. In 1903, however, a process was developed whereby the metal could be drawn into fine wire. It began to be used as a filament in incandescent lamps. Now it maintains the vacuum in radio tubes, serves as the electrode in neon sign tubes, and plays an important part in the spinning of artificial silk.

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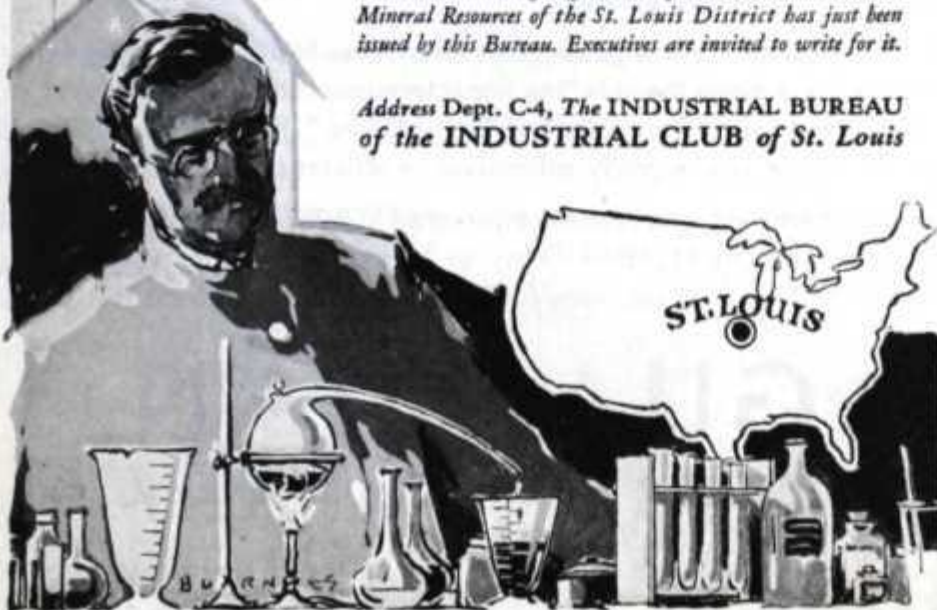
A hundred million cubic feet of natural gas is at your service daily. Cheap fuel oil is piped in from a nearby source. Low-priced and dependable electric power is available in any quantity. The labor market is ample and stable.

St. Louis is the sixth manufacturing city. Its location is close to the center of the country and to the national center of population. 50,000,000 people are within a 500-mile radius.

Transportation is ideal:—29 railway lines; cheap water routes; all-water shipments to foreign ports.

*A most interesting engineer's report on the Chemical and Mineral Resources of the St. Louis District has just been issued by this Bureau. Executives are invited to write for it.*

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## Radio Listeners To Be Counted

**A**S good receptivity over the radio is a question of more than atmospheric significance to the business that buys time on the air, the 300 concerns included in the Association of National Advertisers propose to check up the rather loose estimates of the number of listeners—a sort of organized audit of auditors.

The idea comprehends the division of the United States into 50 districts. Continuous field work, to be undertaken for a period of one year, was begun March 16, covering the programs broadcast on March 15.

### **Listeners to be questioned**

PERSONAL interviews with typical set owners throughout the United States will be obtained every day of the week for one week each month. Listeners will be questioned regarding the stations heard, programs received, programs most enjoyed, and the number of listeners per set. The preferences of the different age groups, and the choices of the various income classes will also be studied. More than 52,000 interviews will be reported during the course of the year.

Thirty-seven concerns, now spending a total of \$8,000,000 a year for radio programs, are actively participating in this verification enterprise. They expect to find out the day-in and day-out circulation of each "chain" station. The circulation will be averaged, if possible, in order to determine the usual zone of influence, and the number of listeners that can be counted on regularly for reception from each station. The fluctuation in public preference for programs will be studied closely.

### **Many factors affect number**

IT IS generally understood, of course, that the number of listeners is subject to considerable variation by reason of weather conditions, power used by the station, and blind spots in the air. But the listening habits of Mr. and Mrs. John Per Capita are not so widely known.

As the advertisers have readily discovered, it's one thing to ask the public to lend its ears, and quite another to be sure that those ears are really attending to business.—R. C. W.



# The New Birth of Colonial Art

(Continued from page 27)

industries clamored at the doors of our art schools. However, as Richard F. Bach, of our museum staff, points out, schools cannot make designers; schools merely familiarize students with the tools and principles, and 15 years of hard, practical work may make a good designer.

## When we had little art

HERE then was America, wedded to the machine, almost barren as to the domestic arts, deprived of these skilled adopted sons—and all this at a time when the public was beginning to want something better than golden oak dressers, mission chairs and gilded chandeliers.

It was fortunate, I think, that an increasing number of men and women who loved old things, and American things, had laid bare and preserved America's artistic "foundations." But those of us who collected did not broadcast our finds. We were more likely to hoard what we had found.

But the Hudson-Fulton exhibition started a general awakening. Many museums, noting the interest in that exhibition, began to collect colonial furniture, pictures and decorative objects. As a gift to the Metropolitan, Mrs. Russell Sage purchased the most famous private collection of Americana in the country. This collection and many representative interiors, collections of furniture and art objects, finally found their home in the "American Wing" behind the façade of the old United States Branch Bank which once stood at 15 Wall Street.

Here were rooms such as those in which Miles Standish stood and the chronological story carries forward to a ballroom in which George Washington danced, and tables across which men discussed the war of 1812.

But looking backward now a half dozen years we can recognize that it was not merely historical interest which this American Wing aroused. Moreover, the opening was not merely an artistic event. It was not "just another wing" added to a museum.

Already at that time the New England Colonial, the Dutch Colonial and the Cape Cod cottage figuratively were marching across America's architectural horizon. But as for the household arts

and crafts and the interest in them, many still spoke of "the antique craze."

Collectors came to view our exhibition, as did women from all states, and students of art, architects from many cities, designers. Finally, manufacturers and merchants came, curious about the source of this spontaneous and intense new public interest. That told a story.

The collectors, led by Henry Ford, Mrs. John D. Rockefeller, Jr., Henry duPont and other have gone on bidding antiques upward until a highboy has sold for \$44,000 and a single arm chair for \$33,000; but this now is of little significance. The total which the millionaires pay for that which is "Colonial" is small when compared with the sum the public is spending on that which is "Colonial" by inspiration, adoption or adaptation.

So many came to the Metropolitan Museum seeking information regarding wall colors and textures that we found it necessary to prepare special color cards on the back of which were instructions for obtaining exactly the effects these early decorators obtained. These we sold to decorators who came to us for guidance. A commercial firm discovered that there would be profit in a book of accurately measured drawings of the exhibited furniture. This because so many furniture shops wished to reproduce or manufacture adaptations of these fine pieces.

## A study of old themes

THE silversmiths came to school to masters one or two centuries dead. Wall paper factories sent their scouts, as did the textile industry. Room proportions, cornices and plaster reliefs all found their way into architectural volumes.

The pine tree came off the old silver shilling to become a decorative theme of a "best seller" in flat silver for the International Silver Company. Rogers' "Pieces of Eight" had an origin in the same era. Unquestionably Paul Revere must have helped Gorham craftsmen design tea services.

Kensington and Danersk were among the names which came to stand for American art in furniture design. Tavern benches and Windsor chairs and trestle tables make corporation ante-rooms more endurable; while in thousands of offices square-cornered, golden, polished surfaces have been replaced by

mellowed, restful desks which have been moved in from another century.

Berkley and Gay drafted the secretary of the Metropolitan to sit with a board of eminent artists and architects in judging a contest for home furniture designs. When Showers Brothers sought five sets in a similar national contest and found but four suitable, they traveled to the assistant curator in charge of the American Wing for a fifth set of drawings.

## Cooperation of craftsmen

TWO trustees of the Metropolitan, one of them among the country's famous collectors, joined hands to give training and scope to modern craftsmanship in "The Company of Master Craftsmen," largely cooperative. Here, they believe, the models of another century not only come to life but the handicraft spirit is reborn even in the midst of whirling machinery.

These things are typical. But the story can be told only in fragments—the whole of it is so big. The newest big hotel for working girls is Colonial in furnishings. From thousands of shelves cold cream is sold in jars redesigned from one of great-grandfather's snuff boxes.

But this is no craze. We have here literally a revolution in national taste; and there are strong evidences that with it has gone a genuine artistic awakening. I mean that, whereas we took what the machinery fed to us a generation or so ago, the American people are beginning to think for themselves on the subject of "art," and to have some degree of conviction about beauty.

Architectural lines are cleaner, simpler, more beautiful. "Grand Rapids" is no longer an artistic by-word: Grand Rapids has become a student of the arts. We "borrow" and buy less from abroad: a National Retail Drygoods Association survey covering 69 stores scattered from the Atlantic to the Pacific recently showed that of drapery, fabric, and upholstery, 96 per cent was a domestic manufacture. This showed a marked change from our old habits.

The Metropolitan Museum has had to struggle, one might say, to avoid becoming an "employment agency" so great are the demands on its staff for information regarding designers available for employ by manufacturing con-



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cerns. Hundreds, of course, come to the museum to study, to copy designs or work up new ones which have an "inspiration" in something some other artist has done long ago. These we put in touch with industries needing assistance.

Moreover, we have considered it necessary to establish a division devoted to industrial contact. Richard F. Bach, who heads it, studies industrial methods and processes and helps manufacturers turn what the Museum knows of art or craftsmanship to the uses of industry. Henry W. Kent, the secretary of the Museum, initiated a series of industrial arts exhibitions with that same end in view.

The Museum was there, not merely as something to look at, but as something to serve the public and its industries and trades. We preached this when we could; but the listeners were not many until public interest in early Americana pointed the way. After that a national convention of merchants gave up precious hours for a trip to an art museum; and then behaved even more strangely: they asked the president of that museum to talk to them about art!

We could not have aroused this national interest with tom-toms and bass drums. The public recognized in the domestic art of the pre-revolutionary era something better, more restful, more appropriate to American use than the alien decorative keynotes which had been dominant.

## The public is wanting art

THUMBING the pages of a furniture magazine the other day I came upon some "trade notes" from Chicago:

Marshall Field's reported "a decidedly marked trend toward purchasing better quality and of a finer taste as to styles."

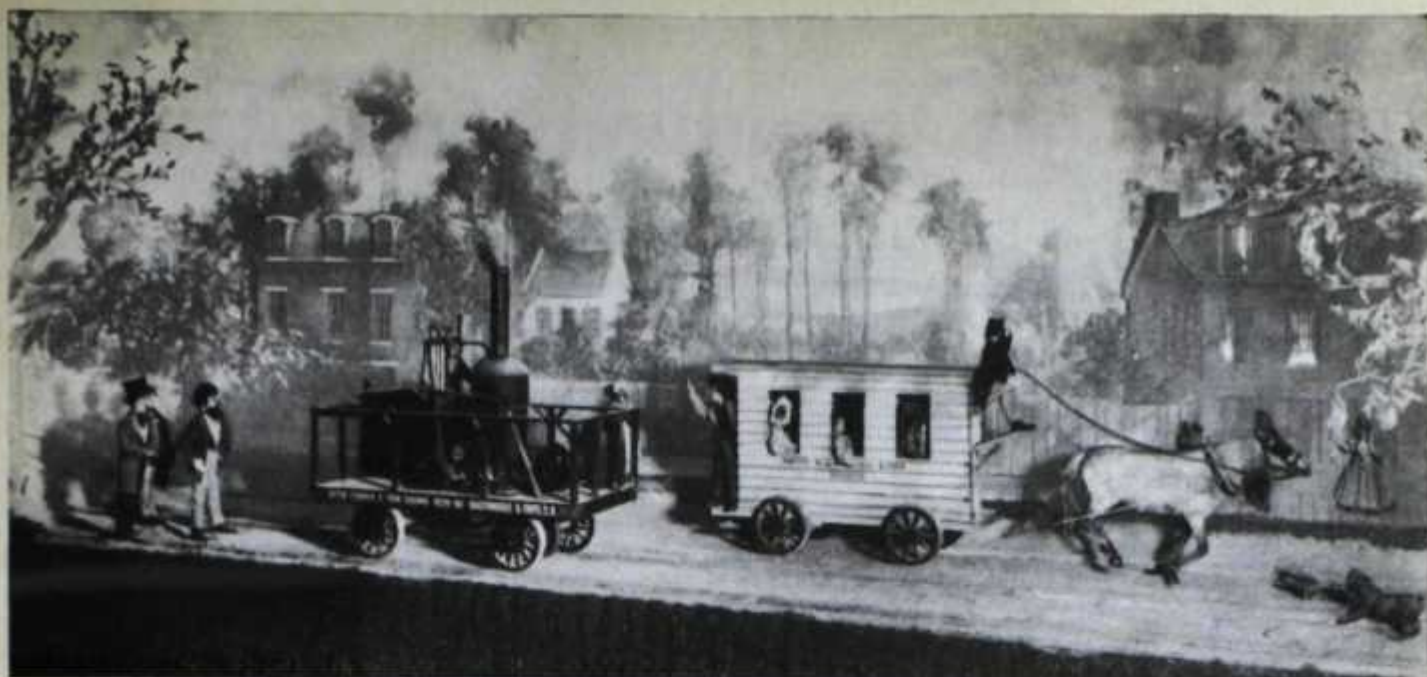
The Burley Company, "Among the younger folks there is a growing partiality for American designs."

V. P. Scholle Company, "Women are guided by their own knowledge rather than by the salesmen. Sets are in less demand. Women prefer to assemble for themselves related pieces."

Again, here, a fragment of the picture; but what a significant fragment. That thing which some called the "antique craze" has been translated into the homes of millions, changing buying habits, lifting the public taste.

I think this awakening of the American public means new pleasure, a richer life; and that this is its supreme justification.





The episode depicted here occurred August 30, 1830 near Baltimore—and the horse won!

# Transportation Passes in Review

## Scale models show progress from horse to airplane

**T**HE history of American transportation has been translated into material form by a New York firm of creators and producers, Messmore and Damon, who have prepared a series of ten tableaux depicting in miniature the successive stages from Indian drag to airplane.

Many of the models are of the first vehicles in their respective classes. The Wrights' first flight at Kitty Hawk is faithfully worked out, for instance, with the tiny model of their plane soaring realistically over the sands. George Selden's self-propelling gasoline vehicle is modeled in another realistic tableau, complete in every detail even to a shying horse.

The first of the series of tableaux shows Indian squaws driving a pinto pony hitched to a drag. Next comes the Conestoga wagon, or "prairie schooner," with the settlers ready to resist an Indian attack.

The start of the first pony express on April 3, 1860 is worked out in another tableau, while the stage-coach era is represented by a lively scene of a western holdup in which every detail, from the small coach to the costuming of the "road agents," is correct.

The dawn of the steam age in transportation is depicted in a scene showing the historic race between Peter Cooper's "Tom Thumb" and a gray mare. Another tableau shows President Lincoln riding in the state carriage which was

presented to him by some New York merchants.

About a year and a half was required to complete the modeling. Saddles, harness, equipment, costuming—everything is in keeping with the historical periods represented. All the vehicles, of course, are perfect working models.



The model of President Lincoln's state carriage was built from the original plans, the property of the Studebaker Corporation



# Finding Opportunity in Britain

By WILLIAM L. COOPER

Director, U. S. Bureau of Domestic and Foreign Commerce

**T**HE UNITED KINGDOM offers many opportunities for the American business man. If we except Canada, England is our best customer, buying American products to the value of about 850 million dollars a year.

Yet, to do business profitably in Great Britain, an American firm must take certain precautions. Before deciding to enter the market, it should first ascertain whether there is a potential demand in the United Kingdom for the product it wants to sell. An American article that has failed to show merit in the United States will have little chance in England, for there also its competitors will be entrenched. But if there is even a potential demand, the American company which has a standard product and uses an intelligent sales campaign may enter the British market with every hope of success.

The company should study carefully British methods of distribution and conform so far as possible to the practice of the country. Furthermore, it should exercise great care in selecting its British sales agent. Success or failure may turn on that point.

In general it is best to appoint a single sales agent for the British Isles and another for each of the colonies where a sales effort is to be made. Not many years ago it was customary for a single agent to handle the work in both fields but times are changing and a sales agent who could handle an American product satisfactorily in England might have no connections in India, Australia, or South Africa.

## Must know the trade customs

IT IS important that the agent be a man of high standing with a known record of performance. He must, of course, know the trade, and be in touch with distributors in that particular line all over the country.

The importance of hiring a proper sales agent can perhaps be best empha-



WILLIAM L. COOPER

**MR. COOPER'S** acquaintance with British markets and British business men covers a period of 18 years.

**He spent 15 years in England as European representative of the Robert W. Hunt Co. and, before being called to his present post, served three years as commercial attaché of the American embassy in London**

sized by telling of a typical example:

A well known American company decided to launch a sales campaign for its products in the United Kingdom. The system of distribution of such products in England is well organized. The organization extends through the middlemen to the retailers, and it covers the principal standard types of merchandise. But, being unfamiliar with local conditions and not realizing the force of habit and custom, this company decided to distribute direct to retailers. Distributors resented this and, sensing the situation,

few retailers wanted to handle the company's goods. As a result, the sales campaign failed and the company's products fell into bad repute. Had the company tried to conform to British custom the campaign easily could have succeeded.

## Later succeeded

IT was only with considerable difficulty that our London office was able later to persuade a first-class sales agent to handle this company's products. But the change brought the desired result. By conforming to British practice, this company now sells its specialty where formerly it failed.

Experience shows that in establishing American sales offices in Great Britain it is generally advisable to employ Englishmen, with one or two Americans at the head of the organization to supervise the general sales effort and to act as connecting links with the organization.

An English employee knows local conditions and understands British trade practices better than would the average American.

Britain is a good market for many American manufactured products. It is in this element of our trade that we may look to see the greatest expansion in the future, for the British Isles can only consume a certain amount of food-stuffs and raw materials. Machinery, automotive products, typewriters, mechanical refrigerators, vacuum cleaners, radio sets, and almost innumerable American specialties find a big sale throughout the United Kingdom. It is almost safe to say that there is a market in Great Britain for any article that



has demonstrated its usefulness in America. In some lines the American articles have the field almost to themselves.

British households are changing, just as ours have changed. Labor-saving appliances are effecting a revolution. It is not so easy as it used to be to hire domestic servants in Great Britain, and that widens the market for vacuum cleaners, refrigerators, electric heaters and many other appliances designed to save manual labor. American companies have already entered this field successfully and the opportunities are by no means exhausted.

### A ready and exclusive market

AMERICAN high-production industrial machinery finds a ready market in England, and we have this field almost to ourselves. The openings for other kinds of machinery are not so good because Germany has specialized in the manufacture of low-production industrial machinery.

American automobiles predominate among imported cars. The duty on imported motor cars is 33½ per cent, and car owners must pay a power tax of approximately \$5 per rated horsepower. They must likewise pay a tax of about eight cents a gallon on gasoline. The horsepower tax has resulted in the manufacture in Great Britain of low-horsepower automobiles. On a medium priced American car, annual taxes total about \$140; the tax on the low-horsepower British car is about \$35. This explains the popularity of the so-called baby car in Great Britain, but notwithstanding the horsepower charge and the other taxes, American automobiles operating in England exceed in number those of other foreign makes.

Although the small motor has undoubtedly hurt to some extent the sale of American cars in England, perhaps the loss to the American automobile trade is not so serious as it would seem, for the baby car is not considered well suited to the dominions, whose people want a heavier car with greater horsepower. British manufacturers so far have not gone into quantity production to make cars especially designed for the colonies and so the American manufacturer has a corresponding advantage in the dominions.

American films, in spite of certain legal restrictions, still retain a position of first rank in the British field. The restrictions include a provision that a certain percentage of all films shown must be made in a British studio, by British actors, and by a company the majority

of whose stock is held by British stockholders. On the other hand, English people have clearly demonstrated that they like our films, and there seems no reason why Great Britain should not continue to be one of the best foreign markets for our motion pictures.

### Raw materials and foodstuffs

ENGLAND also buys quantities of raw materials from us but it may be doubted whether these purchases will increase greatly. England must also import the greater part of her foodstuffs, and the United States continues to supply an important part of the demand. However, as the population of the British Isles is almost stationary, it is doubtful if importations of foodstuffs will increase.

However, an exception may be noted in one class of food. England has become a heavy buyer of American fruits. The Englishman now sits down to a breakfast which begins with an orange, a melon, a grapefruit, or an apple, just as does the American breakfast. The American fruit grower supplies a large part of this demand, and as the custom of eating fruit at breakfast grows, this market will be correspondingly enlarged.

American manufacturers planning to enter the British field, among other things, would do well to consult the Bureau of Foreign and Domestic Commerce to find out whether a market—actual or potential—awaits them in Great Britain. The Bureau renders American exporters a service that is generally acknowledged as superior to that offered by any agency of a foreign government to its business men. It is always glad to tell our exporters just what the possibilities are in specific foreign markets and the kind of competition they may expect.

### Masters in foreign trading

WHAT can we learn from our British friends? In production, American manufacturers seem to be more advanced. England, however, is strong in shipping, in overseas trade, in foreign credit, and in the quality of being "foreign-trade-minded." Great Britain has built up her foreign trade through generations of effort. Of necessity, her manufacturers have had to rely largely upon the overseas markets. Furthermore, the British have tremendous investments abroad, amounting at present to something like 20 billions of dollars.

A development in England that should be of some interest to Americans in-

terested in merchandising methods is the system of "store-door delivery" as practiced by British railways. The railways generally provide this service themselves through subsidiary trucking corporations. Though the carriers are not required by law to offer the service to shippers they feel that it offers advantages both to themselves and their shippers and have undertaken it as part of their operations. This service, however, is not compulsory. Shippers may use their own trucks and wagons or other trucking agencies if they prefer.

The London, Midland and Scottish Railway, which operates approximately 7,500 miles of track in Great Britain, uses a fleet of 1,000 trucks for the purpose. Deliveries are arranged from the railway's terminals with each driver having a specific route. At the terminal the goods which have been hauled by rail are loaded on movable motor-truck trays or containers which are then placed on horse-drawn chassis (used only in the yard). The loaded chassis is taken away and parked to await the arrival of the motor truck, to which the trays are then transferred for ultimate delivery.

### Their two outstanding traits

FAIRNESS and sportsmanship are probably the two outstanding traits of English business men. These qualities are closely related and the Englishman carries them into many other fields of activity than his business. They are qualities which will appeal to all Americans. Englishmen may be slower in taking up new ideas than we are, but they can reach a decision and close a deal quickly.

English industry has made a gallant fight since the World War. England was the first country in Europe to go on a gold basis. At the time, this required great courage. She was the first country to balance her budget, and this, too, involved considerable sacrifices. Her three chief industries, steel, textiles, and coal, have all been having a hard struggle. Economic conditions in the past year or so have measurably improved, however, and no one who understands the sterling qualities of the British business world can doubt that better days lie ahead.

Between 5,000 and 6,000 American firms are represented in London the economic as well as the political center of the far-flung British Empire. Throughout the United Kingdom, there are about 18,000 resident Americans, almost entirely American business representatives with their families.



## The Dividend Check

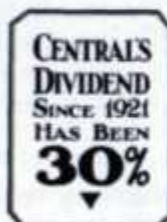


## that Cuts the Cost of Your Insurance

**D**IVIDEND checks are always welcome—doubly so when substantially reducing insurance cost. In buying insurance, cost is, and should be, secondary to quality of protection. But, assured of 100% quality in protection, it becomes only sound business judgment to consider the cost-advantage of a dividend check.

The CENTRAL is a mutual company of unquestioned stability. Since 1876, it has delivered real protection, with fair adjustments and prompt payment of losses. Conservative management has realized substantial dividends which, for the last nine years, have actually reduced insurance cost by 30%.

CENTRAL policies are written through local agents. Full information and name of nearest representative on request.



Organized  
1876

# The CENTRAL

A Friendly  
Company

MANUFACTURERS MUTUAL INSURANCE COMPANY  
VAN WERT, OHIO

Fire, Automobile and Tornado Insurance for Select Risks



Port Covington—the magnificent new ocean terminal constructed under the authority of the Port Development Commission of Baltimore and operated under a lease by the Western Maryland Railroad.

## An \$8,500,000 enterprise —Maryland Standard Interlocking Sheets of Lyonore Metal throughout—



**STRETCHED** for 1000 feet out over the waters of Baltimore harbor—often hidden in the heavy smoke from the ocean-going steamers tied at her sides—jolted by the shocks from heavy cranes, trucks and elevators—the McComas Street Ocean Terminal was designed to withstand the toughest abuse asked of any building. Maryland Standard interlocking sheets of Lyonore Metal were specified for all side walls.

The engineers of the Western Maryland Railroad, who are to be responsible under a thirty-year lease for the maintenance of this huge structure, insisted upon the use of Maryland Standard interlocking sheets of Lyonore Metal throughout after exhaustive tests and experiments.

This same sturdy, interlocking construction and the same remarkably long-lived alloy are standard for all Maryland Metal Buildings, large or small. . . . Illustrated booklet sent immediately upon request.

**MARYLAND METAL BUILDING COMPANY**

## HUMAN NATURE IN BUSINESS

By Fred C. Kelly

**M**OST chain stores handling small articles have learned that it is unwise to have shelves more than seven and one-half feet above the floor. The reason is that a clerk can't reach a shelf any higher without using a chair or ladder.

If it were only that the clerk is slightly inconvenienced, shelves could just as well go clear to the ceiling. But the trouble is, as scientific management has discovered, that when the clerk is inconvenienced sales fall off. This is not because the clerk is then less aggressive as a salesman, but for a totally different reason.

The fact is that a customer, rather than ask the clerk to go to the trouble of climbing on a chair or ladder, will not ask to see an article slightly out of reach. In other words, the customer, after putting the clerk to a little trouble, would feel an obligation to buy. Customers will always buy more when they have a comfortable feeling of freedom to do just as they please.

IN earlier days, the proprietor of a supposedly well-managed hardware store used to accompany a customer all the way to the front door, not only as a matter of courtesy, but to be ready to wait on him if the customer thought of anything else that he desired. Today, the proprietor first tries to lure the customer to the rear of the store and then lets him make his way to the front door unaccompanied.

In this way, the customer, without bothering anybody, and therefore without the slightest obligation to buy, has the fun of looking about him at various articles plainly displayed, with price-marks in evidence, and is almost certain to buy more than if a clerk were escorting him.

THE manager of a drug store, doing a big noon-lunch business, recently decided not to sell any more potato chips. His observations had convinced him that when potato chips were available,



people bought fewer sandwiches, which would have yielded a greater profit.

Moreover, he found that people took more time to eat an order of potato chips than to eat a sandwich. Every effort is made to encourage people to eat promptly, that they may yield their chairs to other customers.

In this store it is the rule that no customer at the lunch counter has to wait longer than one minute to be served.

MANY years ago, it was difficult to sell carpenters' tools, or other mechanics' tools, in this country unless they bore the mark of an English maker. Yet there were many tools, equally good, made in America. And they were made at first mostly by Englishmen who had come here from the mother country and who had learned their trade in the same shops that were supplying the American market.

In other words, American customers didn't mind buying from an Englishman in England, but not from an Englishman in America. Years of sales effort were necessary before Americans came to depend mainly on American-made tools.

SOME time ago, a young man working at an accounting job, decided that accounting was a poor method of making money and sought a connection with a manufacturing company as a salesman. He was successful and is now well off.

The man who took his place at the accounting job developed new methods of accounting and organized an office of his own for furnishing expert auditors. He, too, has been successful.

Last year the two men paid exactly the same income tax.

A CERTAIN manufacturing company used to have an unwritten law that a new employee of any kind in a department had to go through an initiation period of sweeping the floor. This was partly to give him a proper sense of humility—to remind him that he was starting at the bottom and had much to learn.

But they discovered that it was poor business practice. Even sweeping a floor requires a kind of skill. A novice raises more dust than is necessary and takes too much time.

Today this same company has all floors swept by men who expect to

# 10,000 Customers

## within arm's reach of a desk chair

THE modern executive who depends on exact information need not wait for it. Sales managers and credit managers can have within arm's length, accurate information on every customer. Employment directors, traffic managers, purchasing agents and others whose decisions depend on the accessibility of a great volume of accurate, detailed information, can have that information at their fingertips. In National Visible Binders ten thousand records can be reached without moving from a desk chair.

Any record can be located instantly. For in these binders each account is summarized on its own separate sheet, and the sheets are arranged in overlapping banks so that as many as thirty may be seen at a glance. All you need do is select a plainly labeled binder from its rack at your elbow, open at a tabbed index sheet, and there,



beckoning your eye, is the record you want, precisely in its appointed place, for these records cannot get lost, misplaced or disarranged.

This not only saves executive time, but makes for better control of business. A system of colored metal tabs, attachable to the visible edges of sheets, flags instant attention to any item that needs action...National Visible Records, too, are easy on clerical help. They require less time for posting. New sheets can be added, or old ones removed in a jiffy.

And in the convenient National Binders visible records are economical of valuable office space; a binder of 1000 records fits into three inches of shelf room. They are portable, so that they can be consulted anywhere, and at night valuable records can go into fire-proof vaults. Best of all, they are inexpensive in first cost as well as in operation. Ask your stationer.

## National VISIBLE RECORDS

Made by the makers of National loose leaf, bound books and machine bookkeeping equipment

Please send me your folder, "266 Places Where Visible Records Can Increase Efficiency and Reduce Business Costs"

NATIONAL BLANK BOOK COMPANY  
Dept. 5-T, Holyoke, Massachusetts

Name.....

Address.....

Firm.....





# FROM THE OIL WELL TO YOU . . .

**C***CITIES SERVICE is a complete petroleum unit*—operating its own extensive oil wells, its own refineries, its own elaborate system of transportation service by tankers, pipe lines, tank cars and tank trucks, and its own marketing units.

Cities Service is a billion dollar organization which spends a million dollars each year to improve its products and services—an organization which operates its own public utility companies, coordinated transport service and maintains its own fleet of more than 4000 motor vehicles.

In this great laboratory, along national highways and in public utility service, Cities Service petroleum products are thoroughly tested for service, protection and economy. This is a *practical* proving ground far beyond ordinary laboratory and research facilities. Millions of people and thousands of industries depend for their light, heat and power upon equipment lubricated with Cities Service petroleum products.

Cities Service worked hard and spent huge sums of money to solve its own lubrication and fuel problems. A Cities Service engineer will gladly call and give you the benefit of his experience.

**CITIES SERVICE OIL COMPANY**  
60 Wall Street New York

*Cities Service Radio Concerts, Friday 8 P.M. Eastern Daylight Saving Time*

**CITIES SERVICE INDUSTRIAL OILS**  
QUALITY PROVED WHERE IT SHOULD BE PROVED — IN INDUSTRIAL USE

*When writing to CITIES SERVICE OIL COMPANY please mention Nation's Business*

make sweeping a life work. Incidentally, they are paid by the square yard.

NOT long ago I visited a famous business man in his private office. He is commonly believed to be cold and aloof, with no thought for the other fellow.

Our talk turned to his boyhood days and I asked him about his ancestry. When he spoke of his mother there was a peculiar note of sadness in his voice.

"Which parent had the more influence over you?" I asked.

"My mother died when I was barely nine," he said, "and after that my father had to be away so much that I spent most of my time with relatives who seemed to take only scant interest in my activities. But my mother, nevertheless, continued to have a great influence over me.

"After her death," he explained. "I found that I was happier when busy. Maybe that is why I have been successful in business—because I have always been at work."

HE paused, lighted a cigar, and looked out of the window. Then, as if talking on sudden impulse, he turned to me and told this story:

"My mother was always kind and considerate, and rarely asked me to do any favors for her. Maybe that wasn't always good for me, because it made me selfish. One day she asked me to do an errand that I, for some reason, didn't want to do. I finally went, but I was in ill humor.

"My mother was in the habit of waving her hand at me from a front window, and I knew that she would be there to give me a sweet good-bye as I trudged up the street. But I was mad and mean and purposely did not look back. 'Let her wave,' I must have said, sullenly, to myself. Before I had gone a block I felt ashamed of myself, and returned to wave good-bye to my mother. She was no longer at the window, and I decided to do the errand before going back to tell her I was sorry.

"On my return an hour later," he continued, "I learned that my mother, long an invalid, had been taken suddenly ill. I never got to tell her how sorry I was, for she died the next morning."

The hard-boiled business man looked out of the window again and ran his fingers through his shock of gray hair. Then he said in a low tone:

"God, how such little things do stick in a man's memory!"

And there were tears in his eyes.



## Electricity Frees 20 Million Slaves

(Continued from page 39)

wages which have come with it are not thrown away. It is the wage earners' children who have caused the great increase in the classes of high schools, colleges, technical schools and universities. Another gift from electric power in industry.

Yet the change must be gradual. When I was a young salesman of electric power in Alabama I found it hard to convince manufacturers that they could speed production and save money by substituting electricity for steam to drive their machines. Their fathers always had used steam. But hundreds of salesmen kept hammering away at the facts, and the change was made.

Instead of steam-driven lathes, hammers and dies, with the engines always consuming coal and the long belts supplying energy whether all the machines were working or only half of them, the factories of today use electric current, which is switched on at each machine only when needed. The energy is constant and always at full power when wanted. The saving is great.

### Facing many old prejudices

IN THE same way a great many other antiquated ideas will have to be scrapped as we progress. This form of power is so new that men instinctively try to control it by old-fashioned standards. Canada and Maine forbid the sale of electric power from their own sources outside their own boundaries, though their bountiful rivers will easily yield enough to do far more service than they can use for many years. They say that the energy they produce in their territory must be used in running their own factories or not used at all.

In time they will see that, by locking up their power, they are really depriving themselves of the use of their own resources. What would happen to all the industries of the country as well as those of Pennsylvania, Oklahoma, California and Texas if their laws prohibited the sale of their coal and petroleum outside of the states in which they are found?

Canada and Maine are rich in water power that can be easily and economically turned into electric current in far greater quantities than they can use for a long while. By selling it across their boundaries they can make a legitimate profit which will not hold back

# another achievement



## distinctively SPARTAN



**W**HEN you see the new Spartan C-4-225 you will be impressed with its many refinements of design. This new de luxe cabin monoplane perpetuates the Spartan tradition of constant progress . . . and sets it apart as another achievement distinctively Spartan.

» Spartan offers the C-4-225 with but one regret . . . that its finer details of craftsmanship are not entirely visible. Its trim, clean lines may be seen and appreciated. Its interior arrangement and the comfort of its appointments for four are factors instantly impressive. But its durable, lasting construction, its stability under any condition of flight, its advantages in safety . . . these are qualities fully apparent only when it is called upon repeatedly for extremes of service.

» Spartan Aircraft Company expresses its sincere belief that no cabin airplane today contains more value, dollar for dollar, than the C-4-225. A new booklet showing all Spartan models in natural colors will impress you. A demonstration by a factory representative, which may be arranged without obligation, will convince you. Write today for full information and prices.



The Spartan C-4-225 is powered by the Wright "Whirlwind Seven." Standard equipment includes dual controls, metal propeller, booster magneto, starter, complete instrument panel, oleo gear, Bendix wheels and brakes, adjustable stabilizer, navigation lights. Interior design by Kinnan . . . fittings by Ternstedt . . . broadcloth by Wiese.

## SPARTAN AIRCRAFT COMPANY

TULSA • OKLAHOMA

*When writing to SPARTAN AIRCRAFT COMPANY please mention Nation's Business*



## In the dead of night



### your plant needs real protection

At night—under cover of darkness—is when most unaccountable fires break out—when most hoodlums get busy—when most malicious destruction takes place. At night is when your plant needs real protection—PAGE Fence Protection.

And in the daytime, too, PAGE Fence fulfills an important service. Workmen are kept "on the job"—there is no interference from outsiders—executive supervision is made easier and more positive. Yard space can be turned over to safe storage of materials which may now be taking up valuable room inside.

64 Service Plants erect PAGE Fence everywhere. Write for name and address of company in your vicinity. They are a reputable local organization of experienced fence builders. They carry complete stocks of all types of PAGE Fence and will handle your installation complete—from plans to erection.

You can consult with them freely and without obligation. Descriptive literature, offering valuable fencing suggestions, on request. Page Fence Association, 520 North Michigan Avenue, Dept. A91, Chicago, Illinois.

**INVESTIGATE!** PAGE fabric available in Copperweld non-rusting wire—reduced upkeep—lifetime service.



their industrial development, but will provide employment for thousands of their citizens.

Perhaps the old prejudice against the extension and combination of power companies will gradually be worn away by clear understanding of the facts. The progress of mankind depends largely on man's use of electricity which saves his strength, thus making him a more valuable citizen.

Those who oppose further extensions argue that the companies will grow too strong and make too much profit. But the gain to the community through the increased use of the new force will far outweigh any gain by individuals. The profits of the public through the use of power have always been greater than the profits of those who sell it.

It is up to the leaders in every industry to prove that the public needs its service, and then to extend it by advertising and all other methods of legitimate persuasion.

### Electricity will serve the public

THE electric industry has no claim to participate in the future development of American business unless it can help business grow for the benefit of all. We believe we can do just that. Electricity glorifies life by freeing human beings of physical burdens and by promoting prosperity.

The electrical industry knows that it can never grow stronger than the public it serves.

It has no fear of being restricted or cramped into inefficiency because the people may be for a time averse to big companies. As it faithfully serves it is bound to grow. President Hoover, writing recently to a friend about government, stated the principle which, I believe, applies to public service corporations:

"You aptly penetrate the vital question of public action—the discovery and promulgation of truth. No real believer in democracy questions the sureness of public judgment, if the public is given the truth, but there is a time element in the triumph of truth. When we look back over history we see periods of either moral, social, economic or political stagnation while the truth was en route and some variety of demagoguery occupied the scene.

"We can and must greatly increase the production of truth, and we must know the truth before the grave interest of 120 million people is involved in government policy."

That is the test our service faces with confidence.



### The Fountain of Proven Merit

R-S Vertico-Slant Fountains have wide acceptance. They are preferred because of their splendid performance.

You find R-S "bubblers" the country over, in schools, hospitals, hotels, industrial plants and other places where people gather.

Specify R-S Drinking Fountains—they are sanitary and eliminate waste of water. Write for catalog.

**RUNDLE-SPENCE MFG. CO.**

76 Fourth Street

Milwaukee, Wis.



ITS NEW!

**NO** more slow hand-feeding of envelopes into an addressing machine one by one! — Get a demonstration of this wonderful new popular-priced addresser. — It automatically feeds envelopes into itself as fast as you can turn the crank.

### DOES A DAY'S WORK IN 5 MINUTES

Four times faster than other addressing machines of similar size and price.

For complete information and a FREE BOOK on Direct-Mail Advertising, pin this ad. to your business letterhead and mail to us.

**ELLIOTT**

**ADDRESSING MACHINE CO.**

144 Albany St., Cambridge, Mass.

Reprints of any article in this issue may be had. Write Nation's Business, Washington, D. C.



# She Handled Woolworth's Campaign

(Continued from page 62)

augmented by an experience in virtually all departments of motion picture work which had made his thinking graphic. These two set out to sell Woolworth a dramatization of a half century of merchandising achievement.

The big chance came in the fiftieth anniversary of the Woolworth company. After many conferences, Woolworth executives were convinced that here was a person who could think, write and talk in terms of the institution and its customers. Accordingly, their first assignment to the McNelis-Weir Agency was the anniversary booklet. Then came more questions. How many should be printed? At first it was thought that six million would suffice, but soon this was changed to ten million. That number of women—or more—go into Woolworth stores every day, according to public statements by H. T. Parson, president. The order for gold paper for the covers was the largest single one ever placed.

## Large and conservative

COMPUTE the yearly volume of business done by every firm on the New York Stock Exchange and you will find Woolworth's near the top of your list. Such size breeds conservatism unconsciously. Precedents become more and more important as a firm grows in size and prestige. What had been done before was big, and to some extent new, but the time had come for another forward step.

While Miss McNelis was collaborating with Mr. Weir on the anniversary booklets, she was doing a great deal of research on the side. She went now to the manufacturers from whom the chain bought and said, in effect:

"You are making good products, and they are enjoying a fine volume. They are good enough to tell the world about. Why not promote them, stating that they may be had at Woolworth's?"

These manufacturers doing business nationally were shown how their problems were related to the local market.

This identity of interest—this localization of national distribution—had actually been the foundation of the extraordinary Woolworth success. To advertise it, in other words, involved no revolutionary change, but only an extension along a straight line. The booklet had informed the public of the

anniversary. The catalog indexed Woolworth merchandise. Why not follow both up with a real attack on the public consciousness until every family in America would get a new and better conception of Woolworth merchandise, Woolworth history, Woolworth values?

Such a booklet could be had for a fraction of the cost of the promotion originally planned, because the expense would be distributed all the way back along the line of moving goods. Each manufacturer was ready and willing to promote his merchandise. But where should such a booklet appear? The country's great national magazines offered the logical vehicle. So Woolworth became a national advertiser.

To Miss McNelis must go the credit for a series of merchandising discoveries startling in their possibilities. In applying them she induced many firms to advertise which had never spent a dollar directly for paid advertising before. Likewise, she effected a new form of manufacturer-distributor cooperative advertising. The latter is not yet out of its swaddling clothes. It will be interesting to watch this already lusty infant mature.

But now—while the biggest advertisements in history were running in the national periodicals—she and Mr. Weir set out on a new venture. Tucked away in the back of her mind was an idea from her department-store days. She saw a need for an advertising medium in the form of a national periodical which would have concentrated local circulations, comparable to those of the newspaper.

## A new type of journalism

NEWSPAPERS, Miss McNelis believed, offered the best possible medium for building up any local retail business. But, after it had been built up, a new problem developed. How was the national manufacturer to utilize such outlets most effectively? How was he to tie up their selling facilities with his advertising? Existing periodicals had done and were doing a good job of establishing consumer acceptance, but there was a limit to their use as instruments of merchandising.

Followed a new series of studies of thousands of women. Then, last December, four new magazines appeared on the counters of the Woolworth stores.

In the usual small print on the table of contents page appeared the announcement that they were published by Tower Magazines, Inc. Tower Magazines is Catherine McNelis and Hugh Weir. These magazines were sold in gross lots to Woolworth stores just as any other merchandise was sold to them. The Woolworth Company had no interest in them except as profitable pieces of merchandise.

## Shopping for magazines

THERE had been no promotion of these publications. But women bought them as they had never bought new magazines before. In less than one week they bought out the entire first shipment of nearly 600,000. Reorders from the store managers began to flow in, in some instances, on the first day the books were placed on sale. By the end of the week final shipments had been made to the stores of the entire issue, totalling more than 1,100,000 copies.

Women, Miss McNelis reasoned, had never been given an opportunity to shop for magazines. Periodicals had been sold only at news stands which were adjuncts of cigar counters, typical men's stores designed to suit the male method of buying on the run. Woolworth's was a logical magazine shopping place, provided the magazines were keyed to the great city housewife market.

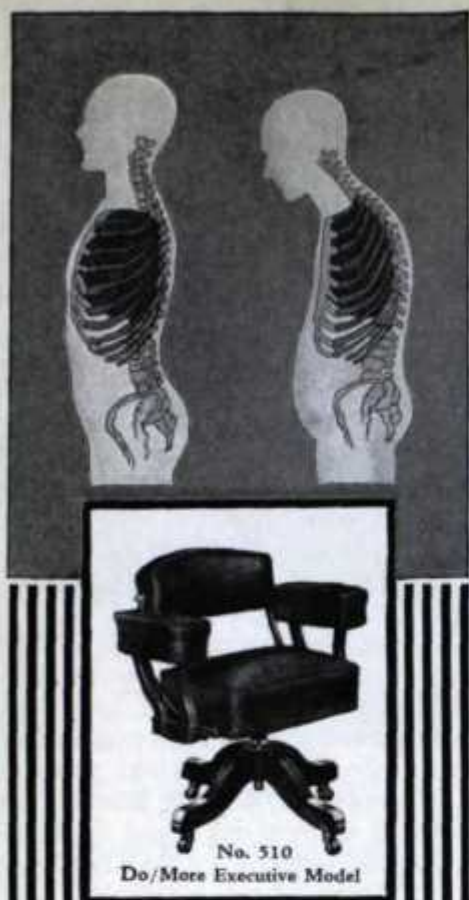
A wise retail executive once remarked that one reason why many women did not go further in retailing was because their personalities were against them. He was referring to stylists particularly, and added that in appearance and personality they gave the impression of running too much to superlatives, so that his reaction to them was a feeling of overstatement for effect.

Perhaps Miss McNelis has a frank simplicity of manner to thank as one of the factors in her success. She looks one square in the eye with a quiet confidence which is winning. She manages to keep her wit in the foreground and her sex in the background. Women like her.

As a subject for a personal interview, she is no good at all. She has not learned to talk about herself.

Perhaps the story of Miss McNelis, late of Wilkes-Barre, Pa., may serve as a partial answer to the question "Can a woman achieve an important place in the modern world of business?"





## Fresh Blood for Busy Bodies

Note the capacity of the lungs, indicated by black, at the left. Compare this with the figure at the right where lung capacity is seriously diminished by improper posture such as business men assume through wrong seating. Poor oxygenation of blood follows; fatigue sets in; blood is not supplied to the brain tissues at normal rate; mental alertness and power are lost.

Seated in an adjustable Do/More which is fitted to you individually by a Do/More seating expert—just as your clothing and shoes are fitted—you automatically assume correct posture. You avoid the many evils of poor posture which rob you of physical vigor. You gain new power for your daily tasks.

We have prepared a scientific treatise on this subject which shows you how you can *build your body as you sit*. It is yours for the asking. Simply write.

DO/MORE CHAIR COMPANY  
613 Do/More Bldg. Elkhart, Indiana

# DO/MORE IDEA OF SEATING

Attach To Your Letterhead

DO/MORE CHAIR COMPANY  
613 Do/More Bldg., Elkhart, Ind.  
Gentlemen. Please send me, without cost or obligation, your treatise on posture, "A Word on the Executive's Physical Power."



## The First World Fur Congress

By F. A. COLLINS

**F**OR the first time in its long history, every phase of the fur industry will be represented in the IPA International Fur and Hunting Exposition at Leipzig Germany. The Exposition, beginning May 31, will continue until September 30. The United States, the largest fur producing country, is sending elaborate government and private exhibits.

In conjunction with the Exposition, representatives of some 30 fur producing countries will meet in the First International Fur Congress which will be formally opened June 22 by Dr. Curtius, the German Minister of Foreign Affairs. The Congress will discuss 20 questions of vital interest to the fur trade and organize a constructive program. It is planned to establish an international court of arbitration for the fur interests. The fur trade is at once so diversified and complicated that misunderstandings frequently cause serious losses. The court will serve as a final tribunal of appeal for all disputes arising between firms of various nations.

Leading fur merchants of many countries will endeavor to establish an international credit bureau, which among other functions, will supply confidential information to its members and facilitate business between widely scattered countries. It is also planned to bring about a much closer working relation between the dyeing and dressing branches of the fur industry and eliminate waste motion which in the past has caused serious losses.

### Colors and tariffs

THE Congress will discuss the elimination of the practice of launching new color shades in dyed furs except at the openings of the regular merchandising seasons.

Customs questions and tariff requirements are especially important in view of the wide movement of furs. The Congress will confine itself to discussion of general principles without going into the tariff problems of individual countries. Much attention will be given to the standards for the classification of furs in customs declarations. It is further planned to arrange by common consent the dates for auctions and sales



TAKE A  
GOOD  
LOOK  
AT  
YOUR  
LETTER-  
HEAD  
TODAY

Is it a proper representative of your business or product?

For over 58 years, leading houses throughout the country have been using

**E. A. WRIGHT COMPANY**  
Steel Engraved Letterheads

to express the character and dignity of their institutions. Isn't your correspondence worthy of the best? Send for some specimens of our recent productions. No obligation.

**E. A. WRIGHT COMPANY**  
Broad & Huntingdon Sts. Philadelphia  
58 Years of Continuous Service

## "Idea Insurance"

You, as a business man, are certain to carry insurance in some form. On your life . . . or on your car . . . or on your household furniture. Insurance is an old, established business. Its worth is recognized.

Think of your subscription to NATION'S BUSINESS as an insurance policy against missing ideas which might be worth thousands of dollars to you in your business. Each month the articles in this magazine carry ideas. You may not find one valuable to you in a year. But if you do . . . and we think you will . . . your investment of \$7.50 for three years may be multiplied a thousand fold. And your "insurance policy" will be more than justified.



in different markets, so that fur buyers can attend the greatest possible number of offerings.

The Congress will promote humane methods of hunting and trapping, and consider the necessary medical precautions required in dressing and dyeing. A general plan will also be adopted for the scientific training of furriers. Still other problems scheduled for discussion are the sanitation of fur farms and the veterinary problems of fur farmers.

### World-wide promotion

A GENERAL plan for advertising and promoting sales of furs will be considered. It is also planned, if possible, to inaugurate a campaign for stimulating the world's consumption of furs by the action of the collective industry. An international association of the fur trade will be formed if practical.

A considerable part of the program of the Congress will be concerned with measures looking to the international conservation of furred animals. The fur trade throughout the world has for years watched with concern the rapid disappearance of many breeds of fur-bearing animals. These problems will be discussed in detail and definite plans adopted to protect furred animals.

The exhibits sent by the United States, both official and private, will be worthy of the largest fur producing and consuming country in the world. The Government appropriation of \$30,000 has been spent in a comprehensive display illustrating the fur industry as a whole. It is in the famous Hall of Nations, the largest exhibition hall in Europe.

### Daily fashion review

AN EFFORT is being made to supplement the government exhibit and the private displays with a display of American coats and wraps worn by living models. Plans for this exhibit call for a daily fashion revue of a great variety of fur garments designed for daytime, sports and evening wear and manufactured from both dyed and undyed skins.

The object of the American fashion show will be to familiarize the European trade with the quality, workmanship and design of fur products supplied by the dressers, dyers and stylists of America. It will further enable the throngs of American tourists to compare the style and quality of American products with those of Paris, Berlin and Vienna.



**NCE IN A GENERATION  
IS OFTEN ENOUGH  
TO BUILD A FENCE...**



**F**ENCES should not be considered temporary structures to be hastily thrown up and then allowed to deteriorate rapidly. Like buildings, they should be built to **last**, and built to stand the ravages of time and weather with a minimum of upkeep expense.

Pittsburgh Chain-Link Fence is made for permanence. Copper-bearing steel and an extra heavy coating of zinc applied hot after weaving assure lasting protection from corrosion. A sturdy frame of seamless tubular steel, also copper bearing, assures a permanently strong, rigid and erect barrier, proof against the knocks and bumps of everyday use.

Estimate of cost gladly submitted on any job. Erection service always available. Write for descriptive folder with specifications.



**Pittsburgh Steel Co.**

New York Chicago Memphis **P** Detroit Dallas San Francisco  
732 UNION TRUST BUILDING, PITTSBURGH, PA.

**Pittsburgh Fence**  
**CHAIN-LINK TYPE**



# Built on time . . .



## yet not ready for use!

### SUNFLEX ANSWERS THE OLD QUESTION OF WHAT TO DO WITH GREEN CONCRETE

1920

"Here's your new building, sir. Sorry we couldn't paint the inside, but you'll have to wait for that concrete to dry out. Yes, it may have to go unpainted a year, but there's no help for it. It's just too bad."

1930

"Move right in. How do you like those walls and ceilings? Ever see anything whiter? That's Sunflex, the high light-reflection paint made by the Craftex people. Put on right over the green concrete. A permanent finish, too . . . and only one coat!"

#### Paint When You Build


No more unfinished interiors that can't be painted for months and months. Sunflex is not only the ideal paint for wood, brick, plaster, tile, and other painted surfaces, but can be applied directly to green concrete. Minutely porous, it allows the surface to "breathe." Moisture comes

through without leaving a trace.

This one feature alone is saving thousands of dollars in plants, warehouses, garages, and other concrete buildings. They are turned over to their owners completely painted—ready for immediate use and occupancy.

Yet this is only *one* of the money-saving Sunflex features. Highest light reflection (over 90%), non-yellowing, hiding power that saves a coat of paint on most work, unusual resistance to moisture, steam, fumes, light, and heat, quick drying and odorless—Sunflex is revolutionary in every way. Investigate! We will be glad to send material so that your Maintenance Department can test Sunflex.

#### COUPON



CRAFTEX COMPANY  
33 Antwerp St., Brighton Sta.  
Boston, Mass. 26

We are from Missouri. Send on enough Sunflex for a workout.

Name.....

Address.....

#### CRAFTEX COMPANY

33 ANTWERP STREET  
BRIGHTON STATION, BOSTON

Sunflex was developed by the makers of Craftex, the original plastic paint for texture finishes. Craftex will add individuality and beauty to your offices and show rooms. Insist on the genuine . . . identified by this trade-mark and the Craftex name.



# SUNFLEX

## THE MIRACLE PAINT

When writing to CRAFTEX COMPANY please mention Nation's Business

# THROUGH THE



## EDITOR'S SPECS

GENTLEMEN:

Your editorials are brilliant, especially the one in the April NATION'S BUSINESS on "Information Given Out."

Your section, "As the Business World Wags," is excellent.

But why do you write tomorrow "is" when you know it "will be?" I quote as follows:

"Sixty days from March 7th when the statement was given out is May 6th."

In my correspondence with you may I always be right, but right or wrong, I read with genuine profit every issue of your magazine and thank you for it.

PRENTISS M. TERRY

Louisville Ky.

#### ♦ Controversy

GENTLEMEN:

Apropos of C. N. Bertel's letter (protesting against cigarette advertising) in Through the Editor's Specs, he probably plays golf, bridge, drives a car, goes to the movies or wears loud ties. If so, I could probably get as many subscribers to cancel their subscriptions to any magazine he might edit, if he allowed any advertisements covering these to appear, as he can get to cancel their subscriptions because NATION'S BUSINESS shows a cigarette advertisement.

I have one satisfaction. That is, I know I will be dead a long time before the long-on-hair, short-on-tolerance men can pass enough laws so that when a baby is born he will be very comfortably legislated into Heaven without any effort on his part.

NEIL A. FISHER  
Personnel Director

Container Corporation of America  
Philadelphia, Pa.

#### ♦ Error

GENTLEMEN:

Received April NATION'S BUSINESS this morning, and like the layout on the cotton article [King Cotton's Uneasy Throne, by the writer of this letter] very much.

One error: The photo on page 268 is as far from being one of cotton buying as it is from one of manufacturing. It shows merely the farmer weighing the picker's sack in the field, in order to pay him for the picking. From the field, the cotton goes to the gin. After it is ginned, it goes on the street, and is bought *there* under the "hog-round" system. Cotton cannot be bought before it is in the bale, because it cannot be classed.

Such things will happen, of course, in the best-regulated families; and comparatively few readers will notice it, I'm sure.



I hope the article will serve to jar some complacent members of the trade.

ARTHUR COLEMAN  
Associate Editor

Holland's Magazine  
Dallas, Texas

#### ♦ On Ice

GENTLEMEN:

In the April NATION'S BUSINESS, page 11, under the caption, "The Customer Will Settle It," appear the following comments by the Editor:

New machines have caused riots, steam engines have been fought as ruinous to agriculture and mechanical refrigerators because they put the icemen out of business.

To one engaged in more than 25 years in both the ice and mechanical refrigerating field and perhaps thousands of others, the detail of statistics showing that there are fewer icemen engaged in business today than one, two, three or even five or ten years ago, would be interesting.

A statement of comparison of earnings for the same period of the several leading ice and mechanical refrigerator manufacturers would perhaps be of interest to many investors.

Publicity that brands the ice industry as doomed or refrigeration produced by ice as being inferior, contributes nothing toward promoting sales for mechanical refrigerators. The purchaser of a mechanical refrigerator does not buy it just to send the iceman to the woods.

Suddenly stop the operation of all the mechanical refrigerators in use today, within a week the public would never realize they were in existence as far as their welfare is concerned. Contrast this by suddenly stopping the supply of ice. Within a week the public would experience the greatest calamity of all times.

GEORGE B. BRIGHT

George B. Bright Co.  
Refrigerating Engineers  
Detroit, Mich.

#### ♦ From India

GENTLEMEN:

We find NATION'S BUSINESS the most interesting of all business monthlies, and the articles have great educative value.

We generally gather many ideas which assist us to achieve success in business and to cope with the progress made in the trades and industries by other nations.

J. N. MITTEN & Co.

Calcutta, India

#### ♦ Georgian

GENTLEMEN:

In an editorial "To an Anxious Young Man" I note the point you make that autos, radios, aviation, are acceptable because "they give us a glimmer of that thing we most desire, victory over time."

I was delighted to note your keen discrimination in using that word "glimmer." I think most students of economics will agree with you that that is all our wonderful inventions vouchsafed to most of us.

May I further ask your indulgence if I take the liberty to slightly qualify the next paragraph, making the latter part read: "... to save time, thereby making time more available for other things" for a few people. I think that last is important.

Perhaps I am "carrying coals to New-

# Jersey City

## a city of national products—

ALTHOUGH Jersey City is chiefly known as the world's greatest railroad terminal city, with shipping next in importance, it has not put all its "eggs in one basket."

The Colgate-Palmolive-Peet Co. manufactures more soap, perfume and toilet articles than are produced in any other centre.

There are more tons of telephone directories printed by the Jersey City Printing Co. than by all other printers combined; phone books for almost the entire East are manufactured here.

The American Type Founders Co. manufactures more type than any other three foundries in the world.

The Durham Duplex Razor Co. and Wade & Butcher Co. (co-ordinated), produce the finest steel cutlery in the world.

Mueller's Macaroni is manufactured in Jersey City.

Jenkins Television Corporation, manufacturers of television receivers, operates from Jersey City THE FIRST commercial broadcasting station in the United States.

In these and 700 other manufacturing, large and small, are produced over 5,000 different articles of merchandise.

There are reasons for Jersey City's industrial strength. Write Chamber of Commerce for Industrial Survey.

FRANK HAGUE, Mayor

Department of Public Affairs

JOHN BEGGANS  
Public Safety

MICHAEL I. FAGEN  
Streets and Works

WM. B. QUINN  
Finance

ARTHUR POTTERTON  
Parks and Buildings

# MacDonald Bros.

## INC. ENGINEERS

We have consistently increased earning capacity and net profits for a limited number of manufacturing clients, representing in all 230 different industries.

By this unbroken record of constructive success, we have proven that the application of organized procedure to an "audit" survey of manufacturing methods by an "outside organization" of experienced engineers is more important to profits than an actual audit of a corporation's accounts. Executives of Management in any industry may communicate directly with the Vice-president in charge of operations.

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**B O S T O N**  
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NEW YORK, N. Y.

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CLEVELAND, OHIO

310 South Michigan Ave.  
CHICAGO, ILL.

212 South Tyron St.  
CHARLOTTE, N. C.





## At the Half Year Mark

Let Your Office Supply Specialist Recommend the Additional Filing Supplies You Need!

HALF A YEAR'S filing will soon be completed. Five out of every hundred filing folders will be overcrowded!

To remedy this condition, dealer specialists in Oxford "Finding System" Supplies are recommending Bulk Correspondence Folders where it is necessary to file more than fifty papers under one heading.

The Oxford Bulk Correspondence Folder is made of sturdy pressboard for rigidity and long wear. It has a one inch expansion-cloth "bellows" bottom. Its black steel insertable tab stands out prominently, making reference immediate. Its reasonable cost may be spread over years.



Dealer specialists, displaying the sign shown above are prepared to serve you with Bulk Correspondence Folders and many other items of Oxford "Finding System" Supplies. You can buy from them with confidence.

**Oxford** FILING  
SUPPLY CO.  
300 Driggs Ave., Brooklyn, N. Y.



## M-EAST-MICHIGAN

### Here is the peace of woods and waters

IN ITS wildernesses of woods and waters, its deep forests of pine and birch, its gorgeous Huron Shoreline and its inland lakes and rivers—East Michigan offers rest to tired city nerves.

And throughout its entire length, its wildest paths are within easy distance of modern hotels and camps and cottages! Follow them this summer!

• • •  
WRITE for free literature;  
or send 4¢ postage for  
All-Michigan booklet.

**EAST MICHIGAN TOURIST  
ASSOCIATION**

Dept. 364

Bay City, Michigan

castle" if I refer to John Dewey, who has done so much enlightening work on methods of education in this country, when he says: "It would take less than the fingers of the two hands to enumerate those who, from Plato down, rank with him," referring to Henry George.

Also, "It is the thorough fusion of insight into actual facts and forces with recognition of their bearing upon what makes human life worth living, that constitutes Henry George one of the world's great social philosophers."

Tolstoi says, "People do not disagree with Henry George, they simply do not understand him."

When I look around and see the utterly futile and ridiculous notions put into print for the purpose of correcting our economic ills, it does "get my goat."

To say that NATION'S BUSINESS is interesting is to put it mildly. Now, if all these clever writers should by chance get enlightened and work together, some at hydrants, some with lines of hose, and some at the ladders, and using the water of George's philosophy, we could easily quench the conflagration which is almost daily becoming more menacing.

Why can't people think?

LOUIS F. WESTON

Cambridge, Mass.

### • Will Read

GENTLEMEN:

NATION'S BUSINESS was represented to me by your agent as extremely highbrow; appealing to the intelligentsia of the business world. My magazine comes addressed to me as 'Postmistress,' a word never used by the Post Office Department, with which you claim to be in such close touch. I grant you the word is to be found in the dictionary but there are many words in the dictionary not in good usage. When I received my college degree it was issued to a 'Master of Science' not mistress.

You call your publication a 'magazine for business men,' but your high-powered salesman thought it worth half an hour of his time to secure my check for a year's subscription. If the magazine is to be of interest to men only, then I have no use for it.

You enclose a card asking me to send you the names of men who might be interested. At the risk of sounding extremely egotistical I may say I know any number of women who know more about the nation's business than the same number of men chosen from the same town would know.

I am a good loser. I have subscribed for the publication and I am going to read it, using the eclectic system of taking that which is good and leaving that which is not so good but you will have to improve your methods if you expect to be widely read by the business women of today.

AGNES MARQUAND WALSH

Postmaster

Santa Rita, New Mexico

### • Criticizes

GENTLEMEN:

I am a part of the general reading public of your most excellent magazine. I am not a prohibitionist, and not a New Englander, thank God! I am entirely unbiased by any ancient or modern cant or cult.

And yet I think you committed "an error

Sign yourself  
with a  
swagger!  
Use this  
bold  
executives'  
pen.

Have your secretary send 10c for assorted samples of the world's most popular pens, to find your personal pen.

## Esterbrook PENS

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50 COOPER STREET, CAMDEN, N. J.

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—FOR WORK

—OR ECONOMY



To the owner of any lawn too large to be cared for with hand mowers, Ideal Power Lawn Mowers offer better, smoother lawns and lower cutting costs.

Two sizes of roller mowers that roll and smooth the ground as they cut, 22- and 30-inch. ("22" illustrated above.) Two sizes of wheel type mowers for heavy or hilly going, 20- and 25-inch.

All are built to carry on for many years, asking little or nothing for repairs. Write today for interesting brochure showing how our country's finest estates have obtained and maintain their velvet-smooth lawns.

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273 Boylston Street Brookline, Mass.	161 Vesler Street Ferndale (Detroit) Mich.

Dealers in all principal cities

**IDEAL POWER LAWN MOWERS**





# SHAKEPROOF

## Solves a serious PROBLEM

A LARGE stove manufacturer located in the middle west was receiving many alarming complaints from his wholesalers and dealers. The reports were that nuts were constantly coming loose, requiring considerable work and expense to get the stoves in shape to be delivered to the customer.

The manufacturer was puzzled, for every stove had been carefully inspected before being shipped. Finally, the cause of the trouble was located. The production department was using the ordinary split ring washer and even though the nuts were put on tight, they worked loose during the rough ride in freight cars and delivery trucks to the dealers' stores.

Hundreds of manufacturers are daily receiving similar complaints and there is only one thing to do. Test Shakeproof Lock Washers. See how their twisted steel teeth bite into both the nut and the work. Give them the most severe trial you can conceive and the results will convince you that Shakeproof Lock Washers deserve a place on your product, too! Send for free samples now.

P. S. to Buyers—Shakeproof equipped products will perform better—last longer and need less service. Write for list of users today!

### SHAKEPROOF Lock Washer Company

(Division of Illinois Tool Works)

2537 N. Keeler Avenue  
CHICAGO, ILL.

Type 12  
Internal



Type 11  
External



Type 13  
Countersunk



Type 20  
Locking Terminal



in judgment" in printing the article, "Let the Air-Minded Rule the Air," written by Senator Hiram Bingham of Connecticut.

It is interesting to know that the reputed Honorable Senator Bingham learned to fly after he was 41; but, when he attempts to convey to the general reading public the niceties of ethics governing the balance between railway and air regulation, he falls as flat as he did when censured for his lack of ethics in regulation of his personal conduct, in the hiring of a clerk from a manufacturing concern and putting him on the government pay roll.

I should have thought that Senator Bingham would be content to hide his light under a bushel of tariff legislation, rather than to attempt to convince us that he is master of that so-called sixth sense, equilibrium.

L. HARRIS

Salt Lake City, Utah

### Statement of Ownership

STATEMENT of the Ownership, Management, Circulation, etc., required by the Act of Congress of August 24, 1912, of Nation's Business, published monthly at Greenwich, Conn. and Washington, D. C., for April 1, 1930.

City of Washington, County of District of Columbia, ss. Before me, a Notary Public in and for the State and county aforesaid, personally appeared Merle Thorpe, who, having been duly sworn according to law, deposes and says that he is the Editor of the Nation's Business and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management, etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 411, Postal Laws and Regulations.

1. That the names and addresses of the publisher, editor, managing editor and business managers are: Publisher, Chamber of Commerce of the U. S., Washington, D. C.; Editor, Merle Thorpe, Washington, D. C.; Managing Editor, J. W. Bishop, Washington, D. C.; Business Manager, J. B. Wyckoff, Washington, D. C.

2. That the owner is: Chamber of Commerce of the United States of America, said body being an incorporated organization under the laws of the District of Columbia, its activities being governed by a Board of Directors.

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3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent or more of total amount of bonds, mortgages, or other securities are: None.

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MERLE THORPE,  
(Signature of Editor.)

Sworn to and subscribed before me this 31st day of March, 1930.

(Seal) WALTER J. HARTLEY,  
(My commission expires Sept. 10, 1932.)  
Notary Public, District of Columbia.

# Wearers of Fine Shoes

demand new kind  
of foot comfort



THE mere absence of discomfort no longer satisfies men who can afford the best. They have discovered the energizing comfort of vigorous foot health in the Arch Preserver Shoe.

The natural springiness of the step is stimulated by the moulded metatarsal support. Nerves, muscles and blood-vessels enjoy barefoot freedom on the Arch Preserver flat inner sole.

The long arch retains its youthful strength and buoyancy, all strain and stress being absorbed by the concealed Arch Preserver arch bridge.

These and other exclusive features are found only in the Arch Preserver Shoe. They cannot be duplicated because they are patented. Distinguished styles and choicest materials in Custom Grade at \$12.50 and up. Other grades \$10.

Send for free booklet today and name of nearest Arch Preserver Shoe dealer.

E. T. WRIGHT & COMPANY, INC.  
Dept. N-125, Rockland, Mass.

Also makers of the Wright Shoe, \$8.50 up

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PRESERVER  
SHOE**  
FOR MEN

Made for women, misses and children by only  
The Selby Shoe Co., Portsmouth, Ohio



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THIS is one of a series of editorials written by leading advertising men on the general subject of advertising

## Let Advertising and Selling Work Together

WHILE the salesman stubbornly contests for all the credit he can get, and the equally stubborn advertising manager contends that advertising does the job, the position of both is being affected by such modern merchandising developments as chain stores, mail-order houses, syndicates and mergers.

As salesmen have been the first to feel the effects of these innovations, an organized group of 110,000 members of the United Commercial Travelers of America has conducted an extensive research to ascertain conditions and determine ways and means of meeting them.

More than 20,000 salesmen filled in lengthy questionnaires.

Thousands of sales calls in 25 lines of business show that without the support of advertising, one call in three results in an immediate order. With direct mail and trade paper advertising to support the salesmen, 53 per cent of all calls produce an order, and when national advertising is added, the percentage of productive calls increases to 66 per cent.

With advertising support the average size of the order is \$60, and without it, the average is \$50.80.

If you are still interested in statistics, 76 per cent of the salesmen report, "no leads supplied by house"; 63 per cent push specialties; 84 per cent encourage telephone and mail orders. All of which indicates the need of dealing with all phases of selling under one policy and program instead of dealing with the various phases as independent activities frequently antagonistic.

J. P. CALLAWAY, President  
The Callaway Associates, Inc.  
Boston, Mass.



# "The **BANKER** scrutinizes Advertising Policies and Results..."

says **ARTHUR W. LOASBY**

*Formerly Chairman of the Board of the  
Equitable Trust Company of New York*



ARTHUR W. LOASBY

"...with a keener eye and greater understanding. Today he looks at advertising appropriations as he looks at fuel bills and labor costs."

**M**R. LOASBY makes a penetrating comment on the new conception of industry when he puts advertising in the same category with production.

He is one of the leaders who realize that the factory is no longer a problem complete in itself. The manufacturer's responsibility, in the modern view, is not ended until the product is in the hands of the ultimate consumer.

Alert business men are therefore seeking to lighten the burden of distribution. They demand the same efficient handling of products between factory and consumer that is found within the factory itself. To straight-line production they would add straight-line distribution.

Such integration can be achieved only when there is an active demand in the ultimate market. The study of this demand and the economical maintenance of it against the encroachments of competition are the contributions of good advertising service to this increasingly important phase of industrial activity.

Working with modern business executives, the J. Walter Thompson Company has for many years aided in the solution of these complex problems. Through extensive surveys and wide merchandising experience, it has made the advertising prepared for its clients an essential part of the economic process.

Two folders, entitled "Selling at Home" and "Selling Abroad," show the scope of the service of the J. Walter Thompson Company. These folders will be gladly sent to executives interested. Write to the New York Office and copies will be mailed promptly.

The suburb and the standardized home present another phase of the modern problem of distribution. Study of their requirements and their place in the market as a whole has enabled the J. Walter Thompson Company to prepare advertising which has earned a place as an essential and reliable factor in the distribution of commodities.



Giant building of the Equitable Trust Company, photographed from the base of the George Washington statue on the steps of the Sub-Treasury Building in New York. These great structures play their part in changing markets. There are over three and one-half million clerical workers in this country, most of them concentrated within urban areas. Market strategy developed by the J. Walter Thompson Company through research proves its value in the cultivation of such valuable markets.

## J. Walter Thompson Company

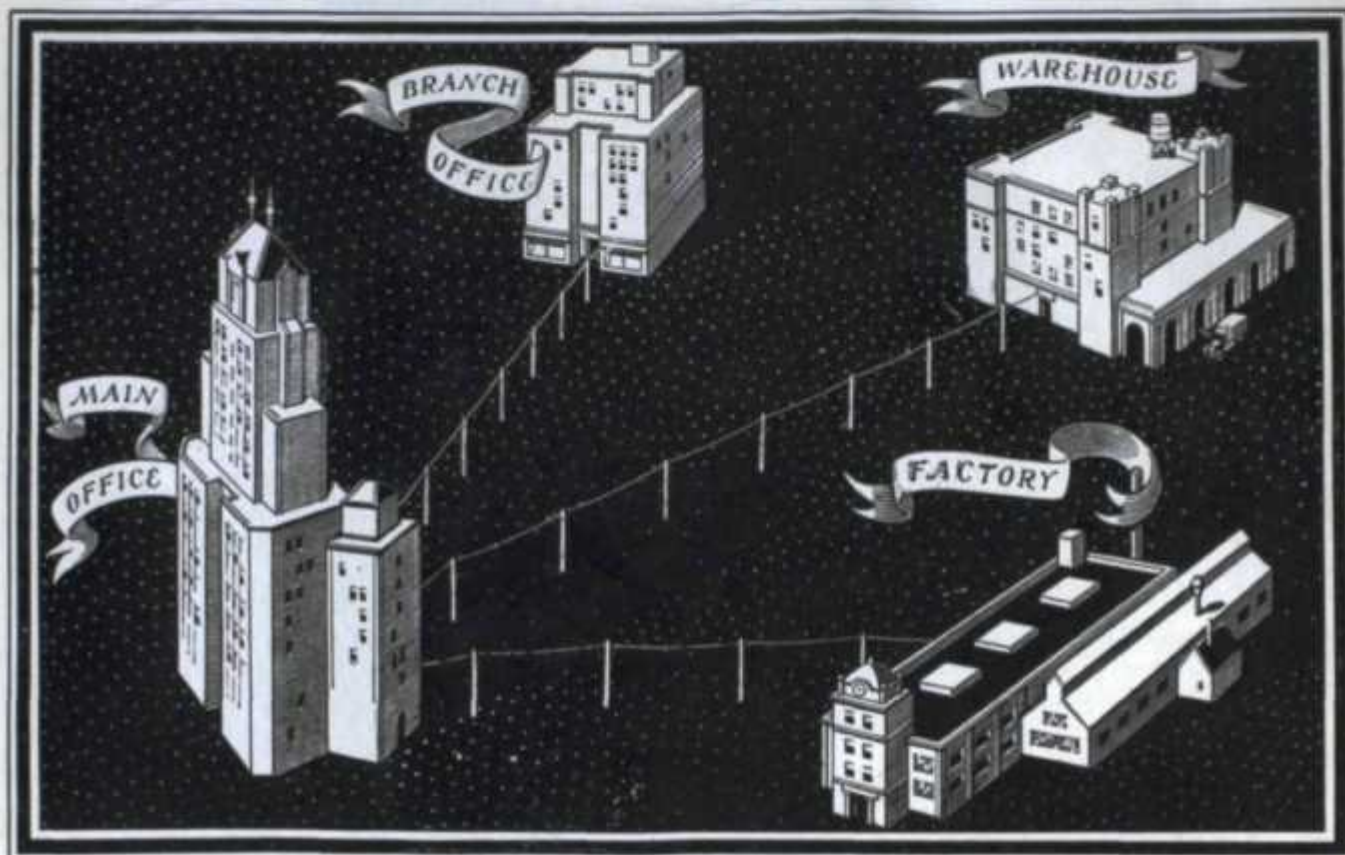
New York • Graybar Bldg. • 420 Lexington Ave.

Chicago, Boston, Cincinnati, San Francisco, Los Angeles • Montreal, Canada • London, Paris, Madrid, Berlin, Stockholm, Copenhagen, Antwerp, Warsaw • Alexandria, Egypt; Port Elizabeth, South Africa • Buenos Aires, Argentina; Sao Paulo, Brazil • Bombay, India • Sydney, Australia

*When writing to J. WALTER THOMPSON COMPANY please mention Nation's Business*



# Cut costs... Speed business with Telephone Typewriter Service



TELEPHONE Typewriter Service makes possible the complete co-ordination of every department of a business, no matter how widely separated its various branch offices, warehouses, factories, or other units may be.

It provides quick, accurate and continuous *two-way typewritten communication*. A message typed at one office is reproduced instantly and identically in all connected offices.

A machinery corporation uses Telephone Typewriter Service to transmit orders, production reports and administrative messages between its headquarters office and four distant factories.

A blanket manufacturing concern uses it to give its customers speedier

service. Orders are shipped from its Rhode Island mill the same day they are received at the New York office. Cancellations or changes are transmitted without delay. Office routine is simplified, orders being handled only once where formerly they were handled three or four times.


Telephone Typewriter Service is of value to small firms as well as large. Expensive duplication in operating details is eliminated, production curves smoothed out, deliveries speeded. Your local Bell Telephone Business Office will gladly make a survey of your communication needs and show you where this service will reduce costs.





# "I am ARC WELDING—

to manufacturers  
whose costs are high  
I offer  
this suggestion"



**R**EDUCE the number of castings in your products—many of them are too costly. They can be replaced by arc-welded steel. Your products will be modernized. They will be improved—and your production costs will show a gratifying reduction.

The foundries of many farsighted, progressive manufacturers are producing fewer and fewer castings—for these manufacturers are getting the jump on competition. They have turned to arc welding.

With this modern process, standard rolled steel shapes can be fabricated into parts, stronger, more rigid and of less weight than castings. Arc welding requires less material, less equipment and fewer operations. Naturally costs are lowered, speed of production increased and inventory reduced to a new minimum.

These advantages are yours—or your competitors'. He who adopts arc welding first, will profit most. Learn then, and quickly, of arc welding. Write now to the sponsors of this message.



PATTERNS	
Drawings	
Woodworking	
Pattern Storage	
Insurance	
Castings	\$ 10.00
Moulding	1.00
Pouring	1.00
Inspection	1.00
Machining	1.00
Assembly	1.00
Breakage	1.00
Total	\$ 16.00

I am  
**ARC WELDING**

my sponsors are

WILSON WELDER & METALS COMPANY  
Hoboken, N. J.

NORTHWESTERN MFG. COMPANY  
Milwaukee, Wis.

UNA WELDING & BONDING COMPANY  
Cleveland, Ohio

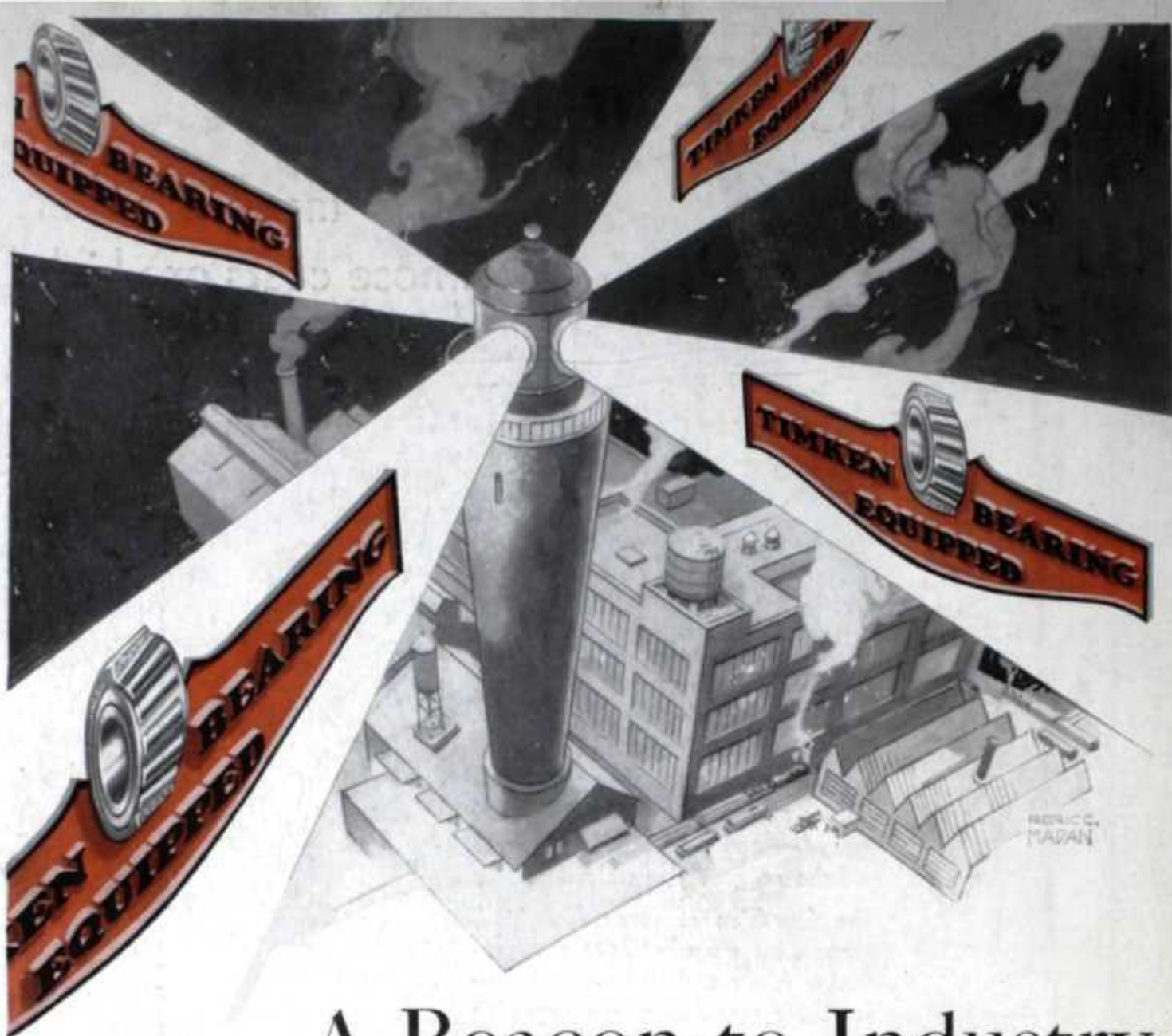
LINCOLN ELECTRIC COMPANY  
Cleveland, Ohio

GENERAL ELECTRIC COMPANY  
Schenectady, N. Y.

WESTINGHOUSE ELECTRIC & MFG. CO.  
East Pittsburgh, Pa.

**MY PLATFORM IS STEEL • MY CREED IS PROGRESS**





## A Beacon to Industry

With millions of horse power at stake, Industry's cost of getting Timken Bearing protection becomes a molehill as compared with the mountain of Waste represented by getting along with anything less than Timken.

There are these fundamental factors to be considered—extreme anti-friction ability; full capacity whether loads are all radial, all thrust or both in combination; and extra capacity in the smallest possible unit of space. All these plus advantages are due to Timken tapered construction, Timken *POSITIVELY ALIGNED ROLLS* and Timken-made steel.

Present day competition warns Industry of the danger of accepting anything short of Timken Bearings. The guiding light points out the one safe rule to follow in buying or designing machinery—and that rule is "Timken Bearing Equipped".

THE TIMKEN ROLLER BEARING COMPANY, CANTON, OHIO

**TIMKEN** *Tapered Roller* **BEARINGS**